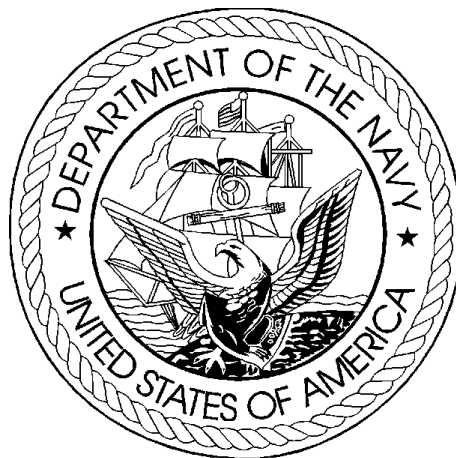


DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2007
BUDGET ESTIMATES SUBMISSION



JUSTIFICATION OF ESTIMATES
FEBRUARY 2006

AIRCRAFT PROCUREMENT, NAVY
Volume I:
BUDGET ACTIVITIES 1-4

UNCLASSIFIED

DEPARTMENT OF THE NAVY
FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 1506N AIRCRAFT PROCUREMENT, NAVY

DATE: 09 FEB 2006

MILLIONS OF DOLLARS

LINE NO	ITEM NOMENCLATURE	IDENT CODE	FY 2005 QUANTITY	FY 2005 COST	FY 2006 QUANTITY	FY 2006 COST	FY 2007 QUANTITY	FY 2007 COST	S E C
BUDGET ACTIVITY 01: COMBAT AIRCRAFT									
COMBAT AIRCRAFT									
1	AV-8B (V/STOL)HARRIER (MYP)	A		.9		1.7			U
2	EA-18G	B			4	(314.5)	12	(891.6)	U
	LESS: ADVANCE PROCUREMENT (PY)					(-8.2)		(-26.2)	U
						306.3		865.4	
3	EA-18G								
	ADVANCE PROCUREMENT (CY)			8.2		26.2		39.8	U
	(FY 2005 FOR FY 2006) (MEMO)			(8.2)					
	(FY 2006 FOR FY 2007) (MEMO)					(26.2)			
	(FY 2007 FOR FY 2008) (MEMO)							(39.8)	
4	F/A-18E/F (FIGHTER) HORNET (MYP)	A	42	(2,958.4)	38	(2,917.7)	30	(2,362.5)	U
	LESS: ADVANCE PROCUREMENT (PY)			(-84.0)		(-83.4)		(-74.2)	U
				2,874.4		2,834.3		2,288.3	
5	F/A-18E/F (FIGHTER) HORNET (MYP)								
	ADVANCE PROCUREMENT (CY)			83.4		85.0		53.0	U
	(FY 2005 FOR FY 2006) (MEMO)			(83.4)					
	(FY 2006 FOR FY 2007) (MEMO)					(74.2)			
	(FY 2006 FOR FY 2008) (MEMO)					(3.2)			
	(FY 2006 FOR FY 2009) (MEMO)					(2.7)			
	(FY 2006 FOR FY 2010) (MEMO)					(3.0)			
	(FY 2006 FOR FY 2011) (MEMO)					(1.9)			
	(FY 2007 FOR FY 2008) (MEMO)							(53.0)	
6	JOINT STRIKE FIGHTER								
	ADVANCE PROCUREMENT (CY)							245.0	U
	(FY 2007 FOR FY 2008) (MEMO)							(245.0)	

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DEPARTMENT OF THE NAVY
FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 1506N AIRCRAFT PROCUREMENT, NAVY

DATE: 09 FEB 2006

MILLIONS OF DOLLARS									
LINE	ITEM NOMENCLATURE	IDENT	FY 2005	FY 2006	FY 2007	S			
NO		CODE	QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	C
----	-----	----	-----	-----	-----	-----	-----	-----	-
7	V-22 (MEDIUM LIFT)		8	(877.2)	9	(1,036.2)	14	(1,371.1)	U
	LESS: ADVANCE PROCUREMENT (PY)			(-38.3)		(-55.2)		(-66.4)	U
				-----		-----		-----	
				838.9		981.0		1,304.7	
8	V-22 (MEDIUM LIFT)								
	ADVANCE PROCUREMENT (CY)			55.2		66.4		194.1	U
	(FY 2005 FOR FY 2006) (MEMO)			(55.2)					
	(FY 2006 FOR FY 2007) (MEMO)					(66.4)			
	(FY 2007 FOR FY 2008) (MEMO)							(87.2)	
	(FY 2007 FOR FY 2009) (MEMO)							(22.6)	
	(FY 2007 FOR FY 2010) (MEMO)							(26.9)	
	(FY 2007 FOR FY 2011) (MEMO)							(29.3)	
	(FY 2007 FOR FY 2012) (MEMO)							(28.1)	
9	UH-1Y/AH-1Z	A	7	213.1	10	314.5	18	446.7	U
10	MH-60S (MYP)	A	15	(382.5)	26	(565.3)	18	(573.5)	U
	LESS: ADVANCE PROCUREMENT (PY)			(-96.4)		(-107.7)		(-115.3)	U
				-----		-----		-----	
				286.1		457.6		458.2	
11	MH-60S (MYP)								
	ADVANCE PROCUREMENT (CY)			104.5		124.1		90.4	U
	(FY 2005 FOR FY 2006) (MEMO)			(102.7)					
	(FY 2005 FOR FY 2007) (MEMO)			(1.4)					
	(FY 2005 FOR FY 2008) (MEMO)			(.5)					
	(FY 2006 FOR FY 2007) (MEMO)					(113.9)			
	(FY 2006 FOR FY 2008) (MEMO)					(4.3)			
	(FY 2006 FOR FY 2009) (MEMO)					(2.6)			
	(FY 2006 FOR FY 2010) (MEMO)					(1.7)			
	(FY 2006 FOR FY 2011) (MEMO)					(1.6)			
	(FY 2007 FOR FY 2008) (MEMO)							(81.7)	
	(FY 2007 FOR FY 2009) (MEMO)							(2.9)	
	(FY 2007 FOR FY 2010) (MEMO)							(2.9)	
	(FY 2007 FOR FY 2011) (MEMO)							(2.9)	

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DEPARTMENT OF THE NAVY
FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 1506N AIRCRAFT PROCUREMENT, NAVY

DATE: 09 FEB 2006

MILLIONS OF DOLLARS									
LINE	ITEM NOMENCLATURE	IDENT	FY 2005	FY 2006	FY 2007	S			
NO		CODE	QUANTITY	COST	QUANTITY	COST	E		
----	-----	----	-----	-----	-----	-----	C		
12	MH-60R	A	6	(326.0)	12	(502.1)	25	(911.9) U	
	LESS: ADVANCE PROCUREMENT (PY)			(-36.6)		(-68.6)		(-116.6) U	
				-----		-----		-----	
				289.4		433.4		795.3	
13	MH-60R								
	ADVANCE PROCUREMENT (CY)			69.7		117.6		120.5 U	
	(FY 2005 FOR FY 2006) (MEMO)			(68.6)					
	(FY 2005 FOR FY 2007) (MEMO)			(.7)					
	(FY 2005 FOR FY 2008) (MEMO)			(.3)					
	(FY 2006 FOR FY 2007) (MEMO)					(115.9)			
	(FY 2006 FOR FY 2008) (MEMO)					(1.7)			
	(FY 2007 FOR FY 2008) (MEMO)							(120.5)	
14	E-2C (EARLY WARNING) HAWKEYE (MYP)	A	2	(225.1)	2	(234.6)	2	(265.0) U	
	LESS: ADVANCE PROCUREMENT (PY)			(-14.6)		(-26.3)		(-61.4) U	
				-----		-----		-----	
				210.5		208.3		203.6	
15	E-2C (EARLY WARNING) HAWKEYE (MYP)								
	ADVANCE PROCUREMENT (CY)			36.2		37.5		U	
	(FY 2005 FOR FY 2006) (MEMO)			(19.3)					
	(FY 2005 FOR FY 2007) (MEMO)			(16.9)					
	(FY 2006 FOR FY 2007) (MEMO)					(37.5)			
				-----		-----		-----	
	TOTAL COMBAT AIRCRAFT			5,070.7		5,993.9		7,104.8	
				-----		-----		-----	
	TOTAL AIRCRAFT PROCUREMENT, NAVY			5,070.7		5,993.9		7,104.8	

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DEPARTMENT OF THE NAVY
FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 1506N AIRCRAFT PROCUREMENT, NAVY

DATE: 09 FEB 2006

MILLIONS OF DOLLARS

LINE		IDENT	FY 2005	FY 2006	FY 2007	S
NO	ITEM NOMENCLATURE	CODE	QUANTITY	QUANTITY	QUANTITY	E
----	-----	----	-----	-----	-----	C
BUDGET ACTIVITY 02: AIRLIFT AIRCRAFT						

AIRLIFT AIRCRAFT						
16	UC-35		2	16.0		U
17	C-40A	A	1	64.9	10.2	U
18	C-37	A	2	106.1		U
			-----	-----	-----	
TOTAL AIRLIFT AIRCRAFT				187.1	10.2	
			-----	-----	-----	
TOTAL AIRCRAFT PROCUREMENT, NAVY				187.1	10.2	

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DEPARTMENT OF THE NAVY
FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 1506N AIRCRAFT PROCUREMENT, NAVY

DATE: 09 FEB 2006

MILLIONS OF DOLLARS

LINE		IDENT	FY 2005		FY 2006		FY 2007	S
NO	ITEM NOMENCLATURE	CODE	QUANTITY	COST	QUANTITY	COST	QUANTITY	E
----	-----	----	-----	-----	-----	-----	-----	C
BUDGET ACTIVITY 03: TRAINER AIRCRAFT								

TRAINER AIRCRAFT								
19	T-45TS (TRAINER) GOSHAWK	A	10	301.0	6	236.3	12	376.4 U
20	JPATS	A	3	16.9	3	19.4	21	146.1 U
				-----	-----		-----	
TOTAL TRAINER AIRCRAFT				318.0	255.6		522.4	
				-----	-----		-----	
TOTAL AIRCRAFT PROCUREMENT, NAVY				318.0	255.6		522.4	

UNCLASSIFIED

DEPARTMENT OF THE NAVY
FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 1506N AIRCRAFT PROCUREMENT, NAVY

DATE: 09 FEB 2006

MILLIONS OF DOLLARS

LINE NO	ITEM NOMENCLATURE	IDENT CODE	FY 2005 QUANTITY	FY 2005 COST	FY 2006 QUANTITY	FY 2006 COST	FY 2007 QUANTITY	FY 2007 COST	S E C
----	-----	----	-----	-----	-----	-----	-----	-----	-
BUDGET ACTIVITY 04: OTHER AIRCRAFT									

OTHER AIRCRAFT									
21	KC-130J	A	4	(321.2)	5	(415.7)	4	(311.2)	U
	LESS: ADVANCE PROCUREMENT (PY)			(-41.5)		(-45.1)		(-58.0)	U
				-----		-----		-----	
				279.7		370.6		253.2	
22	KC-130J								
	ADVANCE PROCUREMENT (CY)			45.1		58.0		45.7	U
	(FY 2005 FOR FY 2006) (MEMO)			(45.1)					
	(FY 2006 FOR FY 2007) (MEMO)					(58.0)			
	(FY 2007 FOR FY 2008) (MEMO)							(45.7)	
23	F-5	A	9	10.9	9	4.5	5	2.5	U
24	VTUAV	B					4	37.6	U
				-----		-----		-----	
TOTAL OTHER AIRCRAFT				335.8		433.1		339.0	
				-----		-----		-----	
TOTAL AIRCRAFT PROCUREMENT, NAVY				335.8		433.1		339.0	

UNCLASSIFIED

PAGE N-6

**Fiscal Year 2007 Budget Estimates
Budget Appendix Extract Language**

AIRCRAFT PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefore; specialized equipment; expansion of public and private plants, including the land necessary therefore, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, \$10,868,771,000, to remain available for obligation until September 30, 2009, of which \$154,800,000 shall be available for the Navy Reserve and the Marine Corps Reserve. (10 U.S.C. 5013, 5063, 7201, 7341; Department of Defense Appropriation Act, 2006.)



PROGRAM

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PROGRAM ASSESSMENT

Air Combat Program

The purpose of this program is to enable DoD to successfully wage war in the air by developing and producing a variety of tactical fighter and strike aircraft.

PERFORMING

Moderately Effective

- **DoD's management of the overall air combat program is currently based on the extensive system of regulations governing how individual acquisition programs are managed.** Through these regulations DoD tracks the progress of individual programs and can hold managers accountable for their programs.
- **DoD's individual programs within the overall air combat program are delivering aircraft at targeted rates, but in several cases, such as the F/A-22, at greater cost than projected.**
- **DoD is moving towards an assessment of the overall capabilities provided by its programs, rather than its traditional assessment of individual acquisition programs.** However, until the air combat program is managed as a single program (consisting of several systems) with clear long-term goals, it will be difficult to perform such a "capabilities based" assessment.

We are taking the following actions to improve the performance of the program:

- Working to refine methods for assessing the effectiveness of the overall air combat program in light of the needs of the global war on terrorism.
- Reviewing the balance of individual programs within the air combat program in light of the ongoing 2005 Quadriennial Defense Review of overall strategy.

- [Details and Current Status of this program assessment.](#)
- [How all Federal programs are assessed.](#)
- [Learn more about Air Combat Program.](#)



PROGRAM

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PROGRAM ASSESSMENT

Airlift Program

The purpose of this program is to enable DoD to move large amounts of personnel and materiel to, and within, remote locations in short periods of time by developing and producing a variety of airlift aircraft.

PERFORMING

Moderately Effective

- **This is a coherent program with a clear long-term goal, namely, to be able to move military forces and their equipment from the US to anywhere in the world whenever required.**
- **DoD has not aggressively examined possible trade-offs within the airlift program that could lower the cost of meeting the airlift requirement without sacrificing military readiness or combat capabilities.**
- **DoD is attempting to move towards an overall assessment of the capabilities provided by its programs, rather than its traditional assessment of individual acquisition programs.** The program's assessment showed that DoD still has more to do in this area.

We are taking the following actions to improve the performance of the program:

- Working to refine methods for assessing the effectiveness of the overall airlift program in light of the needs of the global war on terror.
- Reviewing the size and type of mobility forces (which includes airlift forces) that will be required to fulfill DoD's missions in light of the ongoing Quadriennial Defense Review of strategy.

- [Details and Current Status of this program assessment.](#)
- [How all Federal programs are assessed.](#)
- [Learn more about Airlift Program.](#)



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PROGRAM ASSESSMENT

Marine Corps Expeditionary Warfare

Expeditionary warfare is the temporary use of Marine Corps force in foreign countries. The expeditionary warfare program consists of specific investment programs for aviation assets, amphibious ships, weapons systems, equipment, vehicles, ammunition, and research and development.

NOT PERFORMING

Results Not Demonstrated

- **The Department of Defense has not set long-term performance measures to guide program management and budgeting for expeditionary warfare.** It does not have program measures that assess the most important aspects of expeditionary warfare and its strategic goals.
- **The Department of Defense will review the Marine Corps' lift requirements, both sea and air, and other expeditionary warfare capabilities as part of its 2005 Quadrennial Defense Review.**
- **Marine Corps expeditionary warfare fulfills a distinct role in the national defense.** While both the Army and Marine Corps constitute the Nation's land forces, each force provides unique and complementary capabilities for carrying out military missions. Maritime-based Marines provide a swift and effective means of responding to crises.

We are taking the following actions to improve the performance of the program:

- Developing a limited number of meaningful, long-term performance measures for the expeditionary warfare program.
- [Details and Current Status of this program assessment.](#)
- [How all Federal programs are assessed.](#)
- [Learn more about Marine Corps Expeditionary Warfare.](#)



PROGRAM

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RATING

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IMPROVEMENT

PLAN

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PROGRAM ASSESSMENT

DoD Unmanned Aircraft Systems (UAS)

The purpose of this program is to develop and produce unmanned aircraft systems that can perform DoD-required missions for which manned aircraft are not as well suited.

PERFORMING

Moderately Effective

- Unmanned aircraft systems are being delivered at the required rate and are meeting or exceeding their performance targets.
- Individual programs have procedures to improve efficiencies within the program, but the effectiveness of these procedures has not been fully demonstrated.
- DoD does not have a comprehensive plan to integrate requirements across the military Services (which manage the individual programs) and thus avoid duplication of unmanned aircraft programs.

We are taking the following actions to improve the performance of the program:

- Reviewing the requirements for unmanned aircraft systems in light of the ongoing global war on terror and the 2005 Quadriennial Defense Review of overall strategy.
- Working to improve the integration of unmanned aircraft systems requirements across the Services to prevent multiple systems with similar missions from being developed.
- [Details and Current Status of this program assessment.](#)
- [How all Federal programs are assessed.](#)
- [Learn more about DoD Unmanned Aircraft Systems \(UAS\).](#)

BUDGET ITEM JUSTIFICATION SHEET

P-40

DATE:

February 2006

APPROPRIATION/BUDGET ACTIVITY
AIRCRAFT PROCUREMENT,NAVY/BA 1

P-1 ITEM NOMENCLATURE
AV-8B (V/STOL)HARRIER

Program Element for Code B Items:
0206110M

Other Related Program Elements

	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	74	A									74
Net P-1 Cost (\$M)	1,889.926		.928	.445	.000						1,891.299
Advance Proc (\$M)	189.016										189.016
WPN Sys Cost (\$M)	2,078.941		.928	.445	.000						2,080.314
Initial Spares (\$M)	83.426										83.426
Proc Cost (\$M)	2,162.367		.928	.445	.000						2,163.740
Unit Cost (\$M)	29.221										29.240

MISSION: The AV-8B meets the Marine Corps requirements for a light attack aircraft to provide responsive offensive air power that can operate from austere forward bases in direct support of ground forces.

DESCRIPTION: The AV-8B Remanufacture program converted older AV-8B day attack configured aircraft to the most recent production radar/night attack Harrier II Plus configuration. The AV-8B (Harrier II) is a second generation, vertical/short takeoff and landing (V/STOL), light attack jet aircraft utilized by the USMC. The AV-8B is a responsive, versatile, and dispersible aircraft capable of being operated from air-capable ships and/or ashore in support of marine operations. The FY05 and FY06 funding will implement shutdown actions to purposefully preserve elements essential to regenerating the T/AV-8B products or services while allowing the production activities to cease. This effort identified the tooling, special test equipment and data required to support sustainment capabilities in manufacturing and fabrication processes.

BASIS FOR REQUEST: No funds required in FY 2007.

NOTE: FY2006 Program Funding does not match P-1 due to Database errors.

CLASSIFICATION:

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Exhibit P-5 Cost Analysis		Weapon System AV-8B (V/STOL)HARRIER					DATE: Feb-06		
APPROPRIATION/BUDGET ACTIVITY		ID Code		P-1 ITEM NOMENCLATURE					
AIRCRAFT PROCUREMENT,NAVY/BA 1		A		AV-8B (V/STOL)HARRIER					
			Dollars in Thousands						
Cost	Element of Cost	Prior Years	FY 2005		FY 2006		FY 2007		
		QTY: 74	QTY:	0	QTY:	0	QTY:	0	
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	
1	AIRFRAME/CFE	1,231,803.088							
2	CFE ELECTRONICS								
3	GFE ELECTRONICS	46,097.891							
4	ENGINES / ENGINE ACC	292,022.692							
5	ARMAMENT								
6	INSTRUMENTS								
7	OTHER GFE	57,430.399							
8	REC FLYAWAY ECO								
9	Rec Flyaway Cost	1,627,354.070		.000		.000		.000	
10	NON-RECURRING	48,968.624		928.000					
11	ANCILLARY EQUIPMENT								
12	MISCELLANEOUS								
13	Total Flyaway Cost	1,676,322.694		928.000		.000		.000	
14	AIRFRAME PGSE	48,780.009							
15	ENGINE PGSE	8,972.920							
16	AVIONICS PGSE	93,083.810							
17	PEC TRNG EQ	55,062.301							
18	PUBS / TECH DATA	21,451.645							
19	OTHER ILS	52,650.312							
20	FACILITIES MANAGEMENT								
21	FIELD ACTIVITIES								
22	PRODUCTION ENG SUPPORT	122,617.598				445.000			
23	MISCELLANEOUS SUPPORT								
24	Support Cost	402,618.595		.000		445.000		.000	
25	Gross P-1 Cost	2,078,941.289		928.000		445.000		.000	
26	Adv Proc Credit	-189,015.603							
27	Net P-1 Cost	1,889,925.686		928.000		445.000		.000	
28	Adv Proc CY	189,015.603							
29	Weapon System Cost	2,078,941.289		928.000		445.000		.000	
30	Initial Spares	83,426.000							
31	Procurement Cost	2,162,367.289		928.000		445.000		.000	

Totals may not add due to rounding
DD Form 2454, Jun 86

P-1 Shopping List Item No 1

CLASSIFICATION:

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(Exhibit P-40, page 2 of 2)

BUDGET ITEM JUSTIFICATION SHEET P-40										DATE: FEBRUARY 2006																									
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)						P-1 ITEM NOMENCLATURE EA-18G																													
Program Element for Code B Items: 0204154N						Other Related Program Elements 0204136N, 0604270N, 0604269N																													
	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program																								
QUANTITY	0		0	4	12	18	22	20	10	4	90																								
Net P-1 Cost (\$M)	\$0.000	B	\$0.000	\$306.320	\$865.421	\$1,273.186	\$1,586.519	\$1,447.432	\$847.567	\$564.612	\$6,891.057																								
Advance Proc (\$M)	\$0.000	B	\$8.205	\$26.157	\$39.753	\$49.247	\$46.448	\$24.543	\$0.000	\$0.000	\$194.353																								
Wpn Sys Cost (\$M)	\$0.000	B	\$8.205	\$332.477	\$905.174	\$1,322.433	\$1,632.967	\$1,471.975	\$847.567	\$564.612	\$7,085.410																								
Initial Spares (\$M)	\$0.000	B	\$0.000	\$20.668	\$26.861	\$42.657	\$21.155	\$6.537	\$4.135	\$0.000	\$122.013																								
Proc Cost (\$M)	\$0.000	B	\$8.205	\$353.145	\$932.035	\$1,365.090	\$1,654.122	\$1,478.512	\$851.702	\$564.612	\$7,207.423																								
Unit Cost (\$M)				\$88.286	\$77.670	\$75.838	\$75.187	\$73.926	\$85.170	\$141.153	\$80.082																								
<p>DESCRIPTION:</p> <p>The EA-18G is designed to replace the EA-6B aircraft. The EA-18G's electronic attack upgrades will meet EA-6B (with ALQ-218, ALQ-99, CSS-113) Airborne Electronic Attack (AEA) capability to detect, identify, locate and suppress hostile emitters; provide enhanced connectivity to National, Theater and strike assets; and provide organic precision emitter targeting for employment of onboard suppression weapons (HARM) to fulfill operational requirements. The EA-18G will have the capability to operate autonomously or as a major node in a network centric operation. The performance of the aircraft is compatible with the primary strike/fighter aircraft projected to be in the inventory in the 2010 time period, allowing it to be fully integrated into specific strike packages. It will also have the capacity to provide broad area coverage for extended periods of time to support numerous strikes or other air operations in a federated context. The EA-18G is a scalable, flexible solution that facilitates "Task Organized" force structures. The task organized force structures employ adequate forces to accomplish a specific task while maintaining the operation and personnel tempo at acceptable levels. The EA-18G is being designed to perform a range of Electronic Warfare/Electronic Attack functions either simultaneously or independently. The man in the loop operation and advanced information display system will allow real time assessment of the tactical situation and the appropriate response executed in accordance with the rules of engagement.</p> <p>BASIS FOR FY 2007 BUDGET REQUEST:</p> <p>Funding is requested to procure 12 EA-18Gs in FY 2007. This is the third year of a planned five year (FY2005-2009) multiyear procurement (MYP) based on an aircraft quantity of 210, which includes 154 F/A-18E/Fs in FY2005-2009 (not reflected in this budget line) and 56 EA-18Gs in FY2006-FY2009. This MYP contract is currently funded at the minimum yearly quantity of 42 aircraft per year. The contract has a variation quantity clause permitting an additional 6 aircraft per year. This contract is projected to yield savings/cost avoidance of \$1.052B (10.95%) over a single year procurement strategy.</p> <p>The EPA clause incorporates adjustments to aircraft prices between the baseline (first quarter calendar year (CY) 2003 Global Insight cost planner) and the applicable forecasted annual indices for each program year (CY 2006 for program year FY05). Price adjustments are made only if the current forecasted composite escalation indices are greater than +/- one percent of the baseline index. Due to various contributing factors (international economic growth, increased demand for raw materials, U.S. government titanium protections, etc.), an EPA cost adjustment has been applied to the MYP budget for FY05-FY09.</p> <p>The EA-18G Program will procure assets using the MYP contract vehicle once the Milestone Decision Authority (MDA) grants approval at each milestone. If the MDA does not approve the EA-18G procurement as currently scheduled, the Navy will continue to procure 42 F/A-18E/F aircraft in each year to maintain the MYP minimum requirements. Since the EA-18G will be a modified F/A-18F, some support costs are common and are more efficiently executed out of one budget line. These common costs are budgeted in the F/A-18E/F budget line.</p> <p>For reference, the procurement quantity planned by fiscal year for the Airframe MYP is:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th><u>2005</u></th> <th><u>2006</u></th> <th><u>2007</u></th> <th><u>2008</u></th> <th><u>2009</u></th> </tr> </thead> <tbody> <tr> <td>F/A-18E/F</td> <td>42</td> <td>38</td> <td>30</td> <td>24</td> <td>20</td> </tr> <tr> <td>EA-18G</td> <td><u>0</u></td> <td><u>4</u></td> <td><u>12</u></td> <td><u>18</u></td> <td><u>22</u></td> </tr> <tr> <td>Total MYP</td> <td>42</td> <td>42</td> <td>42</td> <td>42</td> <td>42</td> </tr> </tbody> </table>													<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	F/A-18E/F	42	38	30	24	20	EA-18G	<u>0</u>	<u>4</u>	<u>12</u>	<u>18</u>	<u>22</u>	Total MYP	42	42	42	42	42
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>																														
F/A-18E/F	42	38	30	24	20																														
EA-18G	<u>0</u>	<u>4</u>	<u>12</u>	<u>18</u>	<u>22</u>																														
Total MYP	42	42	42	42	42																														

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Exhibit P-5 Cost Analysis (Page 1)				Weapon System: EA-18G					DATE: FEBRUARY 2006	
APPROPRIATION/BUDGET ACTIVITY				ID Code	P-1 ITEM NOMENCLATURE/SUBHEAD					
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)				B	EA-18G / Y1CH					
COST CODE	ELEMENT OF COST	TOTAL COST IN DOLLARS								
		Prior Years	FY 2005		FY 2006		FY 2007		FY 2008	
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
	Quantity	0		0		4		12		
1	Airframe/CFE	0.000	0.000	0.000	36,247.098	144,988.393	36,709.924	440,519.090		
2	CFE Electronics	0.000	0.000	0.000	14,598.161	58,392.643	15,250.323	183,003.881		
3	GFE Electronics	0.000	0.000	0.000	2,198.677	8,794.706	2,232.920	26,795.041		
4	Engines/Eng Acc	0.000	0.000	0.000	7,952.386	31,809.545	8,413.838	100,966.061		
5	Armament	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
6	Other GFE	0.000	0.000	0.000	679.710	2,718.842	698.399	8,380.785		
7	Rec Flyaway ECO	0.000	0.000	0.000	1,016.905	4,067.621	1,039.205	12,470.459		
8	Rec Flyaway Cost	0.000	0.000	0.000	62,692.937	250,771.749	64,344.610	772,135.317		
9	Non-Recur Cost	0.000		0.000		17,435.826		5,908.571		
10	Ancillary Equip	0.000		0.000		11,048.087		44,073.448		
11	Other	0		0		0		0		
12	Total Flyaway	0.000		0.000		279,255.662		822,117.337		
13	Airframe PGSE	0.000		0.000		5,472.889		8,973.300		
14	Engine PGSE	0.000		0.000		103.509		196.945		
15	Avionics PGSE	0.000		0.000		5,014.412		5,536.147		
16	Pec Trng Eq	0.000		0.000		17,769.500		43,946.100		
17	Pub/Tech Eq	0.000		0.000		2,884.341		3,620.307		
18	Prod Eng Supt	0.000		0.000		1,439.806		3,195.130		
19	Other ILS	0.000		0.000		2,584.879		3,992.734		
20		0		0		0		0		
21	Support Cost	0.000		0.000		35,269.338		69,460.663		
22	Gross P-1 Cost	0.000		0.000		314,525.000		891,578.000		
23	Adv Proc Credit	0.000		0.000		-8,205.000		-26,157.000		
24	Net P-1 Cost	0.000		0.000		306,320.000		865,421.000		
25	Adv Proc CY	0.000		8,205.000		26,157.000		39,753.000		
26	Wpn Syst Cost	0.000		8,205.000		332,477.000		905,174.000		
27	Initial Spares	0.000		0.000		20,668.000		26,861.000		
28	Procurement Cost	0.000		8,205.000		353,145.000		932,035.000		

DD FORM 2446, JUN 86

P-1 SHOPPING LIST ITEM NO. 2

Note: FY05-FY09 is based on a follow-on multiyear procurement with \$100M CRI Investment in FY04 and a total aircraft quantity of 210, which includes F/A-18E/F and EA-18G (F/A-18E/F aircraft are not reflected in this budget line).

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System EA-18G		A. DATE FEBRUARY 2006			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)					C. P-1 ITEM NOMENCLATURE EA-18G				SUBHEAD Y1CH	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (\$000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW ?	DATE REVISIONS AVAILABLE
<u>AIRFRAME/CFE</u>										
FY 2005 for FY 2006 AP			NAVAIR	N/A	MYP/SS/FFP/EPA	MDA, St Louis, MO	Dec-04		Yes	
FY 2006	4	50,845.259	NAVAIR	N/A	MYP/SS/FFP/EPA	MDA, St Louis, MO	Jan-06	Oct-07	Yes	
FY 2006 for FY 2007 AP			NAVAIR	N/A	MYP/SS/FFP/EPA	MDA, St Louis, MO	Dec-05		Yes	
FY 2007	12	51,960.248	NAVAIR	N/A	MYP/SS/FFP/EPA	MDA, St Louis, MO	Nov-06	Oct-08	Yes	
FY 2007 for FY 2008 AP			NAVAIR	N/A	MYP/SS/FFP/EPA	MDA, St Louis, MO	Nov-06		Yes	
D. REMARKS										

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)						Weapon System EA-18G		A. DATE FEBRUARY 2006		
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)					C. P-1 ITEM NOMENCLATURE EA-18G				SUBHEAD Y1CH	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (\$000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW ?	DATE REVISIONS AVAILABLE
F-414-GE-400 ENGINE (2 PER A/C)										
FY05 for FY06 AP			NAVAIR	N/A	MYP/SS/FFP	G.E. LYNN, MA	Mar-05		Yes	
FY2006	8	3,976.193	NAVAIR	N/A	MYP/SS/FFP	G.E. LYNN, MA	Jun-06	Jun-07	Yes	
FY06 for FY07 AP			NAVAIR	Feb-05	SS/FFP	G.E. LYNN, MA	Jun-06		Yes	
FY2007	24	4,206.919	NAVAIR	TBD	SS/FFP	G.E. LYNN, MA	Jun-07	Jun-08	Yes	
FY07 for FY08 AP			NAVAIR	TBD	SS/FFP	G.E. LYNN, MA	Jun-07		Yes	
D. REMARKS Pricing is based on a FY 2002-2006 Multi-Year Procurement. FY 2007 is priced as a single year procurement.										

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BUDGET PRODUCTION SCHEDULE, P-21										Date				
Appropriation/Budget Activity										Weapon System				
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)										EA-18G				
P-1 Item Nomenclature										EA-18G				
						PRODUCTION RATE			Procurement Leadtimes					
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure
EA-18G	McDonnell Douglas Aerospace					42	48	72	0	2	33	35	37	E
	McDonnell Douglas Corp. (Boeing)													
	St. Louis, MO. 63165													

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2008												FISCAL YEAR 2009												B A L
						2007			CALENDAR YEAR 2008									CALENDAR YEAR 2009												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
						E/A-18G	06	N	4	0	4	3	1																	
E/A-18G	07	N	12	0	12													1	1	1	1	1	1	1	1	1	1	0		

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2010												FISCAL YEAR 2011												B A L
						2009			CALENDAR YEAR 2010									CALENDAR YEAR 2011												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	

Remarks:

Note (1): Planned procurement of 4 EA-18G aircraft in FY 2006 will deliver in FY 2008. This brings the yearly contractual procurement under the MYP to 42 aircraft.

Note (2): Planned procurement of 12 EA-18G aircraft in FY 2007 will deliver in FY 2009. This brings the yearly contractual procurement under the MYP to 42 aircraft.

Note (3): Planned procurement of 18 EA-18G aircraft in FY 2008 will deliver in FY 2010. This brings the yearly contractual procurement under the MYP to 42 aircraft.

BUDGET PRODUCTION SCHEDULE, P-21														Date		FEBRUARY 2006																			
Appropriation/Budget Activity														Weapon System						P-1 Item Nomenclature															
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)														EA-18G						EA-18G															
						PRODUCTION RATE						Procurement Leadtimes																							
Item		Manufacturer's Name and Location				MSR	ECON	MAX	ALT Prior to Oct 1			ALT After Oct 1			Initial Mfg PLT			Reorder Mfg PLT			Total			Unit of Measure											
F414-GE-400 ENGINE		GENERAL ELECTRIC CO				84	120	144	0			9			27			24			33			E											
(EA-18G AIRCRAFT)		LYNN, MA																																	
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007														FISCAL YEAR 2008														B A L
							2006			CALENDAR YEAR 2007											CALENDAR YEAR 2008														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P					
F414-GE-400 Installs		06	N	8	0	8									7	1														0					
F414-GE-400 Installs		07	N	24	0	24																					2	2	2	2	16				
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2009														FISCAL YEAR 2010														B A L
							2008			CALENDAR YEAR 2009											CALENDAR YEAR 2010														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P					
F414-GE-400 Installs		07	N	24	8	16	2	2	2	2	2	2	2	2																0					
																											</								

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BUDGET ITEM JUSTIFICATION SHEET										DATE: FEBRUARY 2006	
P-40											
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)							P-1 ITEM NOMENCLATURE EA-18G ADVANCE PROCUREMENT (MYP)				
Program Element for Code B items: 0204154N							Other Related Program Elements 0204136N, 0604270N, 0604269N				
	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total
COST (In Millions)	\$0.000	B	\$8.205	\$26.157	\$39.753	\$49.247	\$46.448	\$24.543	\$0.000	\$0.000	\$194.353
<p>DESCRIPTION:</p> <p>The EA-18G is designed to replace the EA-6B aircraft. The EA-18G's electronic attack upgrades will meet EA-6B (with LR-700, ALQ-99, USQ-113) Airborne Electronic Attack (AEA) capability to detect, identify, locate and suppress hostile emitters; provide enhanced connectivity to National, Theater and strike assets; and provide organic precision emitter targeting for employment of onboard suppression weapons (HARM) to fulfill operational requirements. The EA-18G will have the capability to operate autonomously or as a major node in a network centric operation. The performance of the aircraft is compatible with the primary strike/fighter aircraft projected to be in the inventory in the 2010 time period, allowing it to be fully integrated into specific strike packages. It will also have the capacity to provide broad area coverage for extended periods of time to support numerous strikes or other air operations in a federated context. The EA-18G is a scaleable, flexible solution that facilitates "Task Organized" force structures. The task organized force structures employ adequate forces to accomplish a specific task while maintaining the operation and personnel tempo at acceptable levels. The EA-18G is being designed to perform a range of Electronic Warfare/Electronic Attack functions either simultaneously or independently. The man in the loop operation and advanced information display system will allow real time assessment of the tactical situation and the appropriate response executed in accordance with the rules of engagement.</p> <p>BASIS FOR FY 2007 BUDGET REQUEST:</p> <p>Funding is requested to procure long-lead material for 18 EA-18Gs in FY 2008. This is the third year of a planned five year (FY2005-2009) multiyear procurement (MYP) based on an aircraft quantity of 210, which includes 154 F/A-18E/Fs in FY2005-2009 (not reflected in this budget line) and 56 EA-18Gs in FY2006-FY2009. This MYP contract is currently funded at the minimum yearly quantity of 42 aircraft per year. The contract has a variation quantity clause permitting an additional 6 aircraft per year. This contract is projected to yield savings/cost avoidance of \$1.052B (10.95%) over a single year procurement strategy.</p> <p>The EA-18G Program will procure assets using the MYP contract vehicle once the Milestone Decision Authority (MDA) grants approval at each milestone. If the MDA does not approve the EA-18G procurement as currently scheduled, the Navy will continue to procure 42 F/A-18E/F aircraft in each year to maintain the MYP minimum requirements. Advance procurement contracting, which is not currently necessary for unique EA-18G requirements, is necessary for the procurement of long-lead items needed to support airframe production.</p>											

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Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)							Date: FEBRUARY 2006					
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/ Combat Aircraft (BA-1)							P-1 Line Item Nomenclature EA-18G ADVANCE PROCUREMENT (MYP)					
Weapon System EA-18G					First System (BY1) Award Date Nov-04			Interval between Systems 1 1/2 Weeks				
(\$ in Millions)												
	PLT	When Rqd	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total
End Item Qty			0	0	4	12						
CFE- Airframe T.L.	35		0.0	6.4	20.8	31.0						
GFE - F414 Eng.- T.L.	24		0.0	1.7	5.4	8.1						
GFE - Other	Var.	Var.	0.0	0.1	0.1	0.8						
Total AP			0.0	8.2	26.2	39.8						

NARRATIVE DESCRIPTION:

This line item funds long-lead requirements for the EA-18G production program. Airframe /CFE and engine requirements are calculated on a termination liability basis through 31 October of the following fiscal year, reflecting the contractor's funding requirements for the procurement of long-lead parts and material necessary to protect the delivery schedule. Other Government Furnished Equipment (GFE) requirements are determined on a fully loaded basis, procuring the long-lead quantity needed to protect the production schedule.

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)						Date: FEBRUARY 2006			
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/ Combat Aircraft (BA-1)				Weapon System EA-18G		P-1 Line Item Nomenclature EA-18G ADVANCE PROCUREMENT (MYP)			
(TOA, \$ in Millions)									
	PLT	QPA	Unit Cost	FY 2006 for FY 2007 Qty	FY 2006 Contract Forecast Date	FY 2006 Total Cost Request	FY 2007 for FY 2008 Qty	FY 2007 Contract Forecast Date	FY 2007 Total Cost Request
End Item		N/A							
Long Lead-Airframe	35		N.A.	T.L. for 12	Dec-05	20.8	T.L. for 18	Nov-06	31.0
GFE - Engine - T.L.	24		N.A.	T.L. for 24	Jun-06	5.4	T.L. for 36	Jun-07	8.1
GFE - Other	Var.	Var.	N.A.	Var.	Var.	0.1	Var.	Var.	0.8
Total AP						26.2			39.8
Description:									

BUDGET ITEM JUSTIFICATION SHEET P-40										DATE: FEBRUARY 2006	
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)						P-1 ITEM NOMENCLATURE F/A-18E/F (FIGHTER) HORNET (MYP)					
Program Element for Code B Items: 0204136N						Other Related Program Elements 0604269N, 0305207N, 0604270N, 0204154N					
	Prior Years	ID Code	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	To Complete	Total Program
QUANTITY	272		42	38	30	24	20	22	14	0	462
Net P-1 Cost (\$M)	\$20,962.676	A	\$2,874.660	\$2,706.216	\$2,288.253	\$2,044.684	\$1,700.041	\$1,778.473	\$1,554.851	\$0.000	\$35,909.854
Advance Proc (\$M)	\$1,183.351	A	\$83.445	\$85.034	\$52.954	\$44.826	\$51.243	\$24.542	\$0.000	\$0.000	\$1,525.395
Wpn Sys Cost (\$M)	\$22,146.027	A	\$2,958.105	\$2,791.250	\$2,341.207	\$2,089.510	\$1,751.284	\$1,803.015	\$1,554.851	\$0.000	\$37,435.249
Initial Spares (\$M)	\$831.833	A	\$79.658	\$80.390	\$11.852	\$32.914	\$0.508	\$0.176	\$0.114	\$0.000	\$1,037.445
Proc Cost (\$M)	\$22,977.860	A	\$3,037.763	\$2,871.640	\$2,353.059	\$2,122.424	\$1,751.792	\$1,803.191	\$1,554.965	\$0.000	\$38,472.694
Unit Cost (\$M)			\$72.328	\$75.569	\$78.435	\$88.434	\$87.590	\$81.963	\$111.069	\$0.000	\$83.274

DESCRIPTION:
The F/A-18E/F Naval Strike Fighter is a twin-engine, mid-wing, multi-mission tactical aircraft. F/A-18E/F can be missionized through selected use of external equipment to accomplish specific fighter or attack missions. This capability allows the Operational Commander more flexibility in employing his tactical aircraft in a dynamic scenario. The primary design mission for the F/A-18E/F is a strike fighter which includes the traditional applications, such as fighter escort and fleet air defense, combined with the attack applications, such as interdiction and close air support. Since the same airframe systems are used on attack missions as well as fighter missions, excellent fighter and self defense capability is retained.

Since the EA-18G will be a modified F/A-18F, some support costs are common and are more efficiently executed out of one budget line. These common costs are budgeted in the F/A-18E/F budget line.

BASIS FOR FY 2007 BUDGET REQUEST:
Funding is requested to procure 30 F/A-18E/F aircraft in FY 2007. This is the third year of a planned five year (FY 2005-2009) multiyear procurement (MYP) based on an aircraft quantity of 210, which includes 154 F/A-18E/Fs in FY 2005-2009 and 56 EA-18Gs in FY 2006-2009 (not reflected in this budget line). This MYP contract is currently funded at the minimum yearly quantity of 42 aircraft per year. The contract has a variation in quantity clause permitting an additional 6 aircraft per year and an Economic Price Adjustment (EPA) clause. This contract is projected to yield savings/cost avoidance of \$1.052B (10.95%) over a single year procurement strategy.

The EPA clause incorporates adjustments to aircraft prices between the baseline (first quarter calendar year (CY) 2003 Global Insight cost planner) and the applicable forecasted annual indices for each program year (CY 2007 for program year FY06). Price adjustments are made only if the current forecasted composite escalation indices are greater than +/- one percent of the baseline index. Due to various contributing factors (international economic growth, increased demand for raw materials, U.S. government titanium protections, etc.), an EPA cost adjustment has been applied to the MYP budget for FY05-FY09.

The EA-18G Program will procure assets using the MYP contract vehicle once the Milestone Decision Authority (MDA) grants approval at each milestone. If the MDA does not approve the EA-18G procurement as currently scheduled, the Navy will continue to procure 42 F/A-18E/F aircraft in each year to maintain the MYP minimum requirements. Since the EA-18G will be a modified F/A-18F, some support costs are common and are more efficiently executed out of one budget line. These common costs are budgeted in the F/A-18E/F budget line.

For reference, the procurement quantity planned by fiscal year for the Airframe MYP is:

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
F/A-18E/F	42	38	30	24	20
EA-18G	0	4	12	18	22
Total MYP	42	42	42	42	42

NOTE: FY2006 does not match the P-1 due to Technical error.

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Exhibit P-5 Cost Analysis (Page 1)				Weapon System: F/A-18E/F					DATE: FEBRUARY 2006	
APPROPRIATION/BUDGET ACTIVITY				ID Code	P-1 ITEM NOMENCLATURE/SUBHEAD					
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)				A	F/A-18E/F (FIGHTER) HORNET (MYP)/Y1CF					
COST CODE	ELEMENT OF COST	TOTAL COST IN DOLLARS								
		Prior Years	FY 2005		FY 2006		FY 2007		FY 2008	
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
	Quantity	272		42		38		30		
1	Airframe/CFE	11,866,259.824	37,147.417	1,560,191.518	36,264.204	1,378,039.733	36,737.098	1,102,112.926		
2	CFE Electronics	1,465,910.399	5,339.189	224,245.955	5,466.540	207,728.503	5,690.983	170,729.476		
3	GFE Electronics	464,458.723	2,216.035	93,073.481	2,138.480	81,262.241	2,239.420	67,182.604		
4	Engines/Eng Acc	2,301,251.884	7,856.590	329,976.797	7,952.386	302,190.676	8,413.838	252,415.151		
5	Armament	42,526.711	336.000	14,112.000	338.333	12,856.648	346.992	10,409.755		
6	Other GFE	129,201.416	562.485	23,624.369	489.559	18,603.253	559.765	16,792.937		
7	Rec Flyaway ECO	305,144.376	849.728	35,688.584	834.615	31,715.365	848.562	25,456.848		
8	Rec Flyaway Cost	16,574,753.332	54,307.445	2,280,912.703	53,484.116	2,032,396.419	54,836.657	1,645,099.698		
9	Non-Recur Cost	1,011,764.605		75,772.435		26,638.909		23,892.450		
10	Ancillary Equip	1,438,337.263		286,098.945		277,869.745		290,929.215		
11	Other	0		0		0		0		
12	Total Flyaway	19,024,855.200		2,642,784.083		2,336,905.073		1,959,921.363		
13	Airframe PGSE	245,810.052		5,299.041		25,201.593		1,573.975		
14	Engine PGSE	100,737.611		1,909.834		3,125.469		53.500		
15	Avionics PGSE	259,405.076		13,788.420		29,599.040		23,640.831		
16	Pec Trng Eq	439,480.945		27,309.519		68,225.983		58,824.108		
17	Pub/Tech Eq	279,900.233		21,446.988		25,382.229		22,203.885		
18	Prod Eng Supt	1,000,811.553		145,443.887		184,315.765		193,134.267		
19	Other ILS	711,265.487		100,439.229		116,905.848		103,119.070		
20		0		0		0		0		
21	Support Cost	3,037,410.956		315,636.917		452,755.927		402,549.637		
22	Gross P-1 Cost	22,062,266.156		2,958,421.000		2,789,661.000		2,362,471.000		
23	Adv Proc Credit	-1,099,590.088		-83,761.000		-83,445.000		-74,218.000		
24	Net P-1 Cost	20,962,676.068		2,874,660.000		2,706,216.000		2,288,253.000		
25	Adv Proc CY	1,183,351.088		83,445.000		85,034.000		52,954.000		
26	Wpn Syst Cost	22,146,027.156		2,958,105.000		2,791,250.000		2,341,207.000		
27	Initial Spares	831,833.000		79,658.000		80,390.000		11,852.000		
28	Procurement Cost	22,977,860.156		3,037,763.000		2,871,640.000		2,353,059.000		

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Note: FY05-FY09 is based on a follow-on multiyear procurement with \$100M CRI Investment in FY04 and a total aircraft quantity of 210, which includes F/A-18E/F and EA-18G (not reflected in this budget line).

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Exhibit P-5 Cost Analysis (Page 2)				Weapon System F/A-18E/F				DATE: FEBRUARY 2006	
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)				ID Code A		P-1 ITEM NOMENCLATURE/SUBHEAD F/A-18E/F (FIGHTER) HORNET (MYP)/Y1CF			
COST CODE	ELEMENT OF COST								
		FY 2009		FY 2010		FY 2011		To Complete Costs	Total Costs
		Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost		
	Quantity								
1	Airframe/CFE								
2	CFE Electronics								
3	GFE Electronics								
4	Engines/Eng Acc								
5	Armament								
6	Other GFE								
7	Rec Flyaway ECO								
8	Rec Flyaway Cost								
9	Non-Recur Cost								
10	Ancillary Equip								
11	Other								
12	Total Flyaway								
13	Airframe PGSE								
14	Engine PGSE								
15	Avionics PGSE								
16	Pec Trng Eq								
17	Pub/Tech Eq								
18	Prod Eng Supt								
19	Other ILS								
20									
21	Support Cost								
22	Gross P-1 Cost								
23	Adv Proc Credit								
24	Net P-1 Cost								
25	Adv Proc CY								
26	Wpn Syst Cost								
27	Initial Spares								
28	Procurement Cost								

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Note: FY05-FY09 is based on a follow-on multiyear procurement with \$100M CRI Investment in FY04 and a total aircraft quantity of 210, which includes F/A-18E/F and EA-18G (not reflected in this budget line).

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System F/A-18E/F		A. DATE FEBRUARY 2006			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)					C. P-1 ITEM NOMENCLATURE F/A-18E/F (FIGHTER) HORNET (MYP)				SUBHEAD Y1CF	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (\$000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW ?	DATE REVISIONS AVAILABLE
AIRFRAME/CFE										
FY 2005	42	42,486.606	NAVAIR	N/A	MYP/SS/FFP/EPA	MDA, St Louis, MO	Dec-04	Oct-06	Yes	
FY 2005 for FY 2006 AP			NAVAIR	N/A	MYP/SS/FFP/EPA	MDA, St Louis, MO	Dec-04		Yes	
FY 2006	38	41,730.743	NAVAIR	N/A	MYP/SS/FFP/EPA	MDA, St Louis, MO	Dec-05	Nov-07 (1)	Yes	
FY 2006 for FY 2007 AP			NAVAIR	N/A	MYP/SS/FFP/EPA	MDA, St Louis, MO	Dec-05		Yes	
FY 2007	30	42,428.080	NAVAIR	N/A	MYP/SS/FFP/EPA	MDA, St Louis, MO	Nov-06	Oct-08	Yes	
FY 2007 for FY 2008 AP			NAVAIR	N/A	MYP/SS/FFP/EPA	MDA, St Louis, MO	Nov-06		Yes	
D. REMARKS Note (1): Planned procurement of 4 EA-18G aircraft in FY2006 will deliver in the first quarter of FY 2008 as shown in EA-18G APN-1 budget. FY 2007 pricing is based on a FY 2005-2009 Multi-Year Procurement. FY 2007 Advance Procurement is for long-lead material and Termination Liability only. No Economic Order Quantity funding is requested.										

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System F/A-18E/F		A. DATE FEBRUARY 2006			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)					C. P-1 ITEM NOMENCLATURE F/A-18E/F (FIGHTER) HORNET (MYP)			SUBHEAD Y1CF		
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (\$000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW ?	DATE REVISIONS AVAILABLE
<u>F-414-GE-400 ENGINE</u> (2 PER A/C)										
FY 2005	84	3,928.295	NAVAIR	N/A	MYP/SS/FFP	G.E. LYNN, MA	Mar-05	Jun-06	Yes	
FY 2005 for FY 2006 AP			NAVAIR	N/A	MYP/SS/FFP	G.E. LYNN, MA	Mar-05		Yes	
FY 2006	76	3,976.193	NAVAIR	N/A	MYP/SS/FFP	G.E. LYNN, MA	Jun-06	Jul-07 (1)	Yes	
FY 2006 for FY 2007 AP			NAVAIR	Feb-05	SS/FFP	G.E. LYNN, MA	Jun-06		Yes	
FY 2007	60	4,206.919	NAVAIR	TBD	SS/FFP	G.E. LYNN, MA	Jun-07	Jun-08	Yes	
FY 2007 for FY 2008 AP			NAVAIR	TBD	SS/FFP	G.E. LYNN, MA	Jun-07		Yes	
D. REMARKS Note (1): Pricing is based on a FY 2002-2006 Multi-Year Procurement. FY 2007-2008 is priced as a single year procurements. FY 2007 Advance Procurement is for long-lead material and Termination Liability only. No Economic Order Quantity funding is requested. Planned procurement of EA-18G engines in FY 2006 will deliver in June 2007 as shown in EA-18G APN-1 budget.										

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BUDGET PRODUCTION SCHEDULE, P-21										Date FEBRUARY 2006																							
Appropriation/Budget Activity						Weapon System						P-1 Item Nomenclature																					
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)						F/A-18E/F						F/A-18E/F (FIGHTER) HORNET (MYP)																					
						PRODUCTION RATE			Procurement Leadtimes																								
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																			
F/A-18E/F	McDonnell Douglas Aerospace					42	48	72	0	2	33	35	37	E																			
	McDonnell Douglas Corp. (Boeing)																																
	St. Louis, MO. 63165																																
ITEM / MANUFACTURER						FISCAL YEAR 2005												FISCAL YEAR 2006												BAL			
						2004			CALENDAR YEAR 2005												CALENDAR YEAR 2006												
						OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP				
F/A-18E	03	N	12	0	12	1	1	1	1	1	1	1	1	1	1														0				
F/A-18F	03	N	33	0	33	3	3	3	3	3	2	2	3	3	3	2	3												0				
F/A-18E	04	N	15	0	15													1	1	1	1	1	1	2	1	2	1	1	2	0			
F/A-18F	04	N	27	0	27													2	2	3	2	3	2	2	2	2	2	3	2	0			
ITEM / MANUFACTURER						FISCAL YEAR 2007												FISCAL YEAR 2008												BAL			
						2006			CALENDAR YEAR 2007												CALENDAR YEAR 2008												
						OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP				
F/A-18E	05	N	15	0	15	1	1	2	2	1	1	2	1	1	1	1	1													0			
F/A-18F	05	N	27	0	27	2	2	2	2	2	3	2	2	2	3	2	3													0			
F/A-18E	06	N	25	0	25													2	3	2	2	2	3	2	2	2	2	3	2	0			
F/A-18F	06	N	13	0	13													1	1	1	2	1	1	1	2	1	1	1	0				
Note 1																																	

Remarks:

Note 1: Planned procurement of 4 EA-18G aircraft in FY 2006 will deliver in the first quarter of FY 2008 as shown in EA-18G APN-1 budget. This brings the yearly contractual procurement under the MYP to 42 aircraft.

BUDGET PRODUCTION SCHEDULE, P-21											Date			
Appropriation/Budget Activity											Weapon System		P-1 Item Nomenclature	
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)											F/A-18E/F		F/A-18E/F (FIGHTER) HORNET (MYP)	
						Production Rate			Procurement Leadtimes					
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure
F/A-18E/F	McDonnell Douglas Aerospace					42	48	72	0	2	33	35	37	E
	McDonnell Douglas Corp. (Boeing)													
	St. Louis, MO. 63165													

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2009												FISCAL YEAR 2010												B A L															
						2008													CALENDAR YEAR 2009													CALENDAR YEAR 2010													
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P																
F/A-18E	07	N	14	0	14	1	1	1	2	1	1	2	1	1	1													0																	
F/A-18E	07	N	16	0	16	1	1	2	1	1	2	1	1	1	2													0																	
Note 1																																													

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2011												FISCAL YEAR 2012												B A L															
						2010													CALENDAR YEAR 2011													CALENDAR YEAR 2012													
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P																

Remarks:

Note 1: Planned procurement of 12 EA-18G aircraft in FY 2007 will deliver in FY 2009. This brings the yearly contractual procurement under the MYP to 42 aircraft.

FY 2005 BUDGET PRODUCTION SCHEDULE, P-21						Date FEBRUARY 2006																								
Appropriation/Budget Activity						Weapon System						P-1 Item Nomenclature																		
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)						F/A-18E/F						F/A-18E/F (FIGHTER) HORNET (MYP)																		
						PRODUCTION RATE			Procurement Leadtimes																					
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																
F414-GE-400 ENGINE (F/A-18 AIRCRAFT)	GENERAL ELECTRIC CO LYNN, MA					84	120	144	0	9	27	24	33	E																
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005												FISCAL YEAR 2006												B A L
						2004			CALENDAR YEAR 2005									CALENDAR YEAR 2006												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
F414-GE-400 Installs (FY03)	03	N	90	29	61	8	8	7	8	7	8	7	8																0	
F414-GE-400 Installs (FY04)	04	N	84	0	84									7	7	7	7	7	7	7	7	7							0	
F414-GE-400 Installs (FY05)	05	N	84	0	84																			7	7	7	7	56		
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007												FISCAL YEAR 2008												B A L
						2006			CALENDAR YEAR 2007									CALENDAR YEAR 2008												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
F414-GE-400 Installs (FY05)	05	N	84	28	56	7	7	7	7	7	7	7	7																0	
F414-GE-400 Installs (FY06)	06	N	76	0	76									6	7	7	7	7	7	7	7	7							0	
F414-GE-400 Installs (FY07)	07	N	60	0	60																		5	5	5	5	40			

Remarks:

Beginning in FY 2006, engines for EA-18G and Spares are procured with the above F/A-18E/F install engines on the same contract.

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BUDGET ITEM JUSTIFICATION SHEET								DATE: FEBRUARY 2006			
P-40											
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)							P-1 ITEM NOMENCLATURE F/A-18E/F ADVANCE PROCUREMENT (MYP)				
Program Element for Code B items: 0204136N							Other Related Program Elements 0604269N, 0305207N, 0604270N, 0204154N				
	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total
COST (In Millions)	\$1,183.599	A	\$83.445	\$85.034	\$52.954	\$44.826	\$51.243	\$24.542	\$0.000	\$0.000	\$1,525.643
<p>DESCRIPTION: The F/A-18E/F Naval Strike Fighter is a twin-engine, mid-wing, multi-mission tactical aircraft. F/A-18E/F can be missionized through selected use of external equipment to accomplish specific fighter or attack missions. This capability allows the Operational Commander more flexibility in employing his tactical aircraft in a dynamic scenario. The primary design mission for the F/A-18E/F is a strike fighter which includes the traditional applications, such as fighter escort and fleet air defense, combined with the attack applications, such as interdiction and close air support. Since the same airframe systems are used on attack missions as well as fighter missions, excellent fighter and self defense capability is retained.</p> <p>BASIS FOR FY 2007 BUDGET REQUEST: Funding is requested to procure long lead materials for 24 F/A-18E/F aircraft in FY 2008. This is the fourth year of a planned five year (FY 2005-2009) multiyear procurement (MYP) based on an aircraft quantity of 210, which includes 154 F/A-18E/Fs in FY 2005-2009 and 56 EA-18Gs in FY 2006-2009 (not reflected in this budget line). This MYP contract is currently funded at the minimum yearly quantity of 42 aircraft per year. The contract has a variation in quantity clause permitting an additional 6 aircraft per year. This contract is projected to yield savings/cost avoidance of \$1.052B (10.95%) over a single year procurement strategy. The advance procurement request is strictly related to long lead items included in the subsequent year's procurement and does not include Economic Order Quantity (EOQ) funding to support the second multiyear.</p> <p>Funding is requested to procure long lead items for the FY2008 engine contract.</p> <p>FY2006: Funding is also requested for an Economic Order Quantity (EOQ) procurement of 110 ALE-50 Improved Launch Controllers for program years 2007-2011. The cost for this equipment is included in P-5 line 3 "GFE Electronics."</p>											

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Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)						Date: FEBRUARY 2006					
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/APN-1, Fighter/Attack Aircraft						P-1 Line Item Nomenclature F/A-18E/F ADVANCE PROCUREMENT (MYP)					
Weapon System F/A-18E/F				First System (BY1) Award Date				Interval between Systems 1 1/2 Weeks			

(\$ in Millions)												
	PLT	When Rqd	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total
End Item Qty			272	42	38	30						
CFE- Airframe T.L.	35		603.2	62.2	55.9	41.4						
EOQ/Long Lead (Prior Years)			274.2									
FOR FY 2004 Long Lead			67.8									
FOR FY 2004 EOQ			22.2									
TOTAL EOQ/Long Lead	Var.	Var.	364.2	0.0	0.0	0.0						
GFE - F414 Eng.- T.L.	24		208.2	16.2	14.5	10.8						
GFE - ALE-50 IMPLC		Var.		4.6	3.8							
FOR FY 2008 EOQ					3.2							
FOR FY 2009 EOQ					2.7							
FOR FY 2010 EOQ					3.0							
FOR FY 2011 EOQ					1.9							
GFE - Other	Var.	Var.	8.0	0.5	0.0	0.8						
Total AP			1183.6	83.4	85.0	53.0						

NARRATIVE DESCRIPTION:

This line item funds long-lead requirements for the F/A-18E/F production program. From FY2004-FY2008, Airframe/CFE requirements are calculated on a termination liability basis through 31 October of the following fiscal year. This reflects the contractor's funding requirements for the procurement of long-lead parts and material necessary to protect the delivery schedule. Other Government Furnished Equipment (GFE) requirements are determined on a fully loaded basis, procuring the long-lead quantity needed to protect the production schedule. In FY2006, engine requirements are calculated on a termination liability basis for 12 months. EOQ funding is provided for the ALE-50 Improved Launch Controllers in FY06; amortization is realized FY2007-2011.

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Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)				Date: FEBRUARY 2006	
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number			Weapon System		P-1 Line Item Nomenclature
Aircraft Procurement, Navy/APN-1, Fighter/Attack Aircraft			F/A-18E/F		F/A-18E/F ADVANCE PROCUREMENT (MYP)

(TOA, \$ in Millions)

	PLT	QPA	Unit Cost	FY 2006 for FY 2007 Qty	FY 2006 Contract Forecast Date	FY 2006 Total Cost Request	FY 2007 for FY 2008 Qty	FY 2007 Contract Forecast Date	FY 2007 Total Cost Request
End Item		N/A				N/A			
Long Lead-Airframe	35		N.A.	T.L. for 30	Dec-05	55.9	T.L. for 24	Nov-06	41.4
GFE - Engine - T.L.	24		N.A.	T.L. for 60	Jun-06	14.5	T.L. for 48	Jun-07	10.8
GFE -IMPLC ALE-50			N.A.	EOQ for 110	Mar-06	14.6			
GFE - Other	Var.	Var.	N.A.	Var.	Var.	0.0	Var.	Var.	0.8
Total AP						85.0			53.0

Description:

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BUDGET ITEM JUSTIFICATION SHEET P-40										DATE: February 2006		
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Budget Activity 1							P-1 ITEM NOMENCLATURE JOINT STRIKE FIGHTER ADVANCE PROCUREMENT					
Program Element for Code B Items: 0204146N							Other Related Program Elements 0207142F / 0604800N / 0604800F					
	Prior Years	ID Code		FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total
COST (In Millions)		B				245.016	303.580	391.390	376.492	438.614	TBD	TBD
<p><u>MISSION AND DESCRIPTION:</u></p> <p>The Joint Strike Fighter program will develop and field a family of aircraft that meets the needs of the USN, USAF, USMC, and allies, with optimum commonality among the variants to minimize life cycle costs. This is a joint program with no executive service.</p> <p><u>BASIS FOR FY 2007 BUDGET REQUEST:</u></p> <p>DoN procurement of JSF commences in FY 2008. Advance procurement funding is required in FY 2007 for long lead requirements.</p>												

Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)						Date: February 2006							
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy /Budget Activity 1						P-1 Line Item Nomenclature JOINT STRIKE FIGHTER ADVANCE PROCUREMENT							
Weapon System JOINT STRIKE FIGHTER				First System (BY1) Award Date				Interval Between Systems					
(\$ in Millions)													
	PLT	When Rqd	Prior Years		FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total
End Item Qty													
CFE - Airframe TL	36						208.264						
CFE - Engine TL	36						36.752						
EOQ													
Other													
Total AP							245.016						

Description:

Advance procurement for Joint Strike Fighter (JSF) LRIP Lot 1 - USMC STOVL aircraft.

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)							Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy / 1					Weapon System JOINT STRIKE FIGHTER		P-1 Line Item Nomenclature JOINT STRIKE FIGHTER ADV PROC		
(TOA, \$ in Millions)									
	PLT	QPA	Unit Cost	FY 2005 for FY 2006 Qty	FY 2006 Contract Forecast Date	FY 2006 Total Cost Request	FY 2006 for FY 2007 Qty	FY 2007 Contract Forecast Date	FY 2007 Total Cost Request
End Item									
CFE - Airframe									
TERM LIABILITY	36							March-07	208.264
GFE									
EOQ									
CFE - Engine									
TERM LIABILITY	36							March-07	36.752
GFE									
EOQ									
Total Advance Proc									245.016
Description:									

BUDGET ITEM JUSTIFICATION SHEET
P-40

DATE: February 2006

APPROPRIATION/BUDGET ACTIVITY
AIRCRAFT PROCUREMENT,NAVY/BA 1P-1 ITEM NOMENCLATURE
V-22 (MEDIUM LIFT)Program Element for Code B Items:
BLI: 0164, Program Element 0206121MOther Related Program Elements
1110011F, 1160404BB

	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	68	A	8	9	14	19	31	35	37	187	408
Net P-1 Cost (\$M)	6,385.346		834.768	980.954	1,304.687	1,513.428	2,099.993	2,119.709	2,320.570	11,818.110	29,377.566
Advance Proc (\$M)	460.197		54.720	66.438	194.080	237.304	98.155	103.533	89.116	555.531	1,859.074
WPN Sys Cost (\$M)	6,845.543		889.488	1,047.392	1,498.767	1,750.732	2,198.148	2,223.242	2,409.686	12,373.641	31,236.639
Initial Spares (\$M)	361.199		142.039	116.340	27.011	22.142	40.380	37.680	38.577	327.513	1,112.881
Proc Cost (\$M)	7,206.742		1,031.527	1,163.732	1,525.778	1,772.874	2,238.528	2,260.922	2,448.263	12,701.154	32,349.520
Unit Cost (\$M)	105.981		128.941	129.304	108.984	93.309	72.211	64.598	66.169	67.921	79.288

Description

The V-22 is a tilt-rotor vertical takeoff and landing aircraft currently being developed for joint service application. The program is being designed to provide an aircraft to meet the amphibious/vertical assault needs of the Marine Corps, the strike rescue needs of the Navy, and supplement USSOCOM special mission aircraft. The aircraft will be capable of flying 2,100 miles with one refueling, giving the Services the advantage of a Vertical/Short Takeoff and Landing (V/STOL) aircraft that could rapidly self-deploy to any location in the world.

The current procurement objective is 458: 360 MV-22 Marine Corps aircraft, 48 HV-22 Navy aircraft, and 50 CV-22 aircraft for USSOCOM (funded by USSOCOM and the Air Force). The program successfully completed Milestone III in September 2005.

Basis for FY 2007 Request:

FY2007 funding is requested to procure 14 MV-22's with support.

NOTE: The V-22 budget includes provisions for a multi-year procurement beginning in FY08 with EOQ funding in FY07 Advanced Procurement and \$100 million for cost reduction initiatives. Multi-year exhibits are being submitted during this budget cycle to support approval of a Multi-year procurement for FY08 through FY12.

Exhibit P-5 Cost Analysis		Weapon System V-22 (MEDIUM LIFT)					DATE: Feb-06		
APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT,NAVY/BA 1		ID Code B		P-1 ITEM NOMENCLATURE V-22 (MEDIUM LIFT)					
			Dollars in Thousands						
Cost	Element of Cost	Prior Years	FY 2005		FY 2006		FY 2007		
		QTY: 68	QTY: 8	QTY: 9	QTY: 14				
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	
1	AIRFRAME/CFE	4,877,489.886	68,912.344	551,298.750	68,318.048	614,862.432	59,087.108	827,219.506	
2	CFE ELECTRONICS								
3	GFE ELECTRONICS	34,958.461	793.116	6,344.927	817.578	7,358.201	961.631	13,462.832	
4	ENGINES / ENGINE ACC	261,146.570	4,132.000	33,056.000	3,886.000	34,974.000	3,876.035	54,264.489	
5	ARMAMENT								
6	INSTRUMENTS								
7	OTHER GFE								
8	REC FLYAWAY ECO	65,038.394	1,654.310	13,234.482	1,380.917	12,428.249	1,510.614	21,148.595	
9	Rec Flyaway Cost	5,238,633.311	75,491.770	603,934.159	74,402.542	669,622.882	65,435.387	916,095.422	
10	NON-RECURRING	318,635.730		59,210.359		49,685.330		103,341.515	
11	ANCILLARY EQUIPMENT	11,054.687				7,979.950		9,965.275	
12	RESOLUTION MATRIX	98,264.494		37,339.950		81,315.000		82,534.725	
13	Total Flyaway Cost	5,666,588.222	87,560.559	700,484.468	89,844.796	808,603.162	79,424.067	1,111,936.937	
14	AIRFRAME PGSE	151,188.017		20,191.077		42,301.785		46,773.872	
15	ENGINE PGSE	4,058.525		1,196.465		840.900		741.900	
16	AVIONICS PGSE	124,546.452		29,190.617		35,148.300		34,577.387	
17	PEC TRNG EQ	161,835.646		41,247.882		22,657.729		44,750.429	
18	PUBS / TECH DATA	93,416.272		8,778.846		6,193.700		6,421.000	
19	OTHER ILS	211,467.282		38,023.483		79,622.100		85,444.600	
20	FACILITIES MANAGEMENT								
21	FIELD ACTIVITIES								
22	PRODUCTION ENG SUPPORT	162,779.567		33,918.162		40,306.324		40,478.874	
23	FY 89 Funding	231,400.000							
24	Support Cost	1,140,691.761		172,546.532		227,070.838		259,188.062	
25	Gross P-1 Cost	6,807,279.983		873,031.000		1,035,674.000		1,371,124.999	
26	Adv Proc Credit	-421,934.000		-38,263.000		-54,720.000		-66,438.000	
27	Net P-1 Cost	6,385,345.983		834,768.000		980,954.000		1,304,686.999	
28	Adv Proc CY	460,197.000		54,720.000		66,438.000		194,080.000	
29	Weapon System Cost	6,845,542.983		889,488.000		1,047,392.000		1,498,766.999	
30	Initial Spares	361,199.000		142,039.000		116,340.000		27,011.000	
31	Procurement Cost	7,206,741.983		1,031,527.000		1,163,732.000		1,525,777.999	

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System V-22 (MEDIUM LIFT)		A. DATE February 2006			
B. APPROPRIATION/BUDGET ACTIVITY				C. P-1 ITEM NOMENCLATURE				SUBHEAD		
AIRCRAFT PROCUREMENT,NAVY/BA 1				V-22 (MEDIUM LIFT)				U1CW		
P-5A AIRFRAME/CFE										
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available
AIRFRAME/CFE										
FY 2005 (Lot 9)	8	68,912	NAVAIR	Jun-04	SS-FFP	BELL-BOEING, PATUXENT RIVER, MD	Dec-04	Nov-06	YES	N/A
FY 05 Advance Procurement for FY 06			NAVAIR	Nov-06	SS-AAC	BELL-BOEING, PATUXENT RIVER, MD	Feb-05		YES	N/A
FY 2006 (Lot 10)	9	68,318	NAVAIR	Nov-04	SS-FFP	BELL-BOEING, PATUXENT RIVER, MD	Dec-05	Oct-07	YES	N/A
FY 06 Advance Procurement for FY 07			NAVAIR	Nov-05	SS-AAC	BELL-BOEING, PATUXENT RIVER, MD	Dec-05		YES	N/A
FY 2007 (Lot 11)	14	59,087	NAVAIR	Nov-05	SS-FFP	BELL-BOEING, PATUXENT RIVER, MD	Dec-06	Oct-08	YES	N/A
FY 07 Advance Procurement (Long Lead and EOQ) for FY2008 through FY2012			NAVAIR	Nov-06	SS-MYP	BELL-BOEING, PATUXENT RIVER, MD	Jan-07		YES	N/A
D. Remarks:										

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)						Weapon System V-22 (MEDIUM LIFT)		A. DATE February 2006		
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE				SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 1					V-22 (MEDIUM LIFT)				U1CW	
P-5A ENGINES / ENGINE ACC										
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available
ENGINES										
FY 2005 (Lot 9)	16	2,066	NAVAIR	Dec-95	SS-FFP	ROLLS-ROYCE CORP, INDIANAPOLIS, IN	Dec-04	Mar-06	N/A	N/A
FY 2006 (Lot 10)	18	1,943	NAVAIR	May-03	SS-FFP	ROLLS-ROYCE CORP, INDIANAPOLIS, IN	Dec-05	Jan-07	N/A	N/A
FY 06 Advance Procurement for FY 07										
FY 2007	28	1,938	NAVAIR	Apr-06	SS-FFP	ROLLS-ROYCE CORP, INDIANAPOLIS, IN	Dec-06	Jan-08	N/A	N/A
FY 07 Advance Procurement for FY 08										
D. Remarks:										

APPROPRIATION/BUDGET ACTIVITY						DATE		February 2006													
Aircraft Procurement, Navy BA-1 - Combat Aircraft						Weapon System		P-1 ITEM NOMENCLATURE													
						V-22		V-22 OSPREY													
		Production Rate				Procurement Leadtimes															
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure							
Airframe	Bell-Boeing					11	32	44	5	3	35	34	37	Each							
	Patuxent River, MD																				

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2004												FISCAL YEAR 2005												B A L
						2003			CALENDAR YEAR 2004									2004			CALENDAR YEAR 2005									
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2006												FISCAL YEAR 2007												B A L
						2005			CALENDAR YEAR 2006									2006			CALENDAR YEAR 2007									
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
AIRFRAME																														
Airframe (Lot 3)	99	M	7	3	4																						4			
Airframe (Lot 4)	00	M	11	1	10									1			1			1			1			0	5			
Airframe (Lot 7)	03	M	11	8	3	2	1																				0			
Airframe (Lot 8)	04	M	9	0	9			1	1	1	1			1	1	1	1										0			
Airframe (Lot 8)	04	A	2	0	2					1				1													0			
Airframe (Lot 9)	05	M	8	0	8											1	1	1		1	1	1		1			0			
Airframe (Lot 9)	05	A	3	0	3											1			1				1				0			

Note: Lots 3 and 4 are out of sequence due to Block A mod plan.

DD Form 2445, JUL 87	Previous editions are obsolete	P-1 SHOPPING LIST
311 / 244		ITEM NO 7 PAGE 6
Totals may not add due to rounding DD Form 2454, Jun 86	P-1 Shopping List Item No 7	Exhibit P-21 Production Schedule CLASSIFICATION: UNCLASSIFIED (Exhibit P-40, page 6)

DD Form 2445, JUL 87 Previous editions are obsolete P-1 SHOPPING LIST Exhibit P-21 Production Schedule

311 / 244 ITEM NO 7 PAGE 7

APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy BA-1 - Combat Aircraft										Weapon System V-22		DATE February 2006		P-1 ITEM NOMENCLATURE V-22 OSPREY									
Item		Manufacturer's Name and Location		Production Rate			Procurement Leadtimes										Unit of Measure						
				MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total												
Engine		Allison Engine Co.(Rolls Royce)				88	5	2	28	14	16	Each											
		Indianapolis, IN																					

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007												FISCAL YEAR 2008												B A L
						2006			CALENDAR YEAR 2007									2007			CALENDAR YEAR 2008									
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
						Engine (Lot 9)	05	M	16	12	4	2		2																
Engine (Lot 10)	06	M	18	0	18				2	2	2		2	2		2	2											0		
Engine (Lot 11)	07	M	28	0	28													4	2	2		4	2	2	2	2		8		

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2009												FISCAL YEAR 2010												B A L
						2008			CALENDAR YEAR 2009									2009			CALENDAR YEAR 2010									
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
						Engine (Lot 11)	07	M	28	20	8	4		4																

**Installation Lead Time for Engine is 6-9 months to maintain manufacturing flexibility.

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET P-40							DATE: February 2006					
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1 Combat Aircraft							P-1 ITEM NOMENCLATURE V-22 ADVANCE PROCUREMENT					
Program Element for Code B Items: 0206121M							Other Related Program Elements 1110011F; 1160404BB					
	Prior Years	ID Code		FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total
COST (In Millions)	460.197	A	0.000	54.720	66.438	194.080	237.304	98.155	103.533	89.116	555.531	1,859.074

MISSION AND DESCRIPTION:

The V-22 is a tilt-rotor, vertical takeoff and landing aircraft being developed for joint service application. The program is being designed to provide an aircraft to meet the amphibious/vertical assault needs of the Marine Corps, the strike rescue needs of the Navy, and supplement USSOCOM special mission aircraft. The aircraft will be capable of flying 2,100 miles with one refueling, giving the Services the advantage of a Vertical/Short Takeoff and Landing (V/STOL) aircraft that could rapidly self-deploy to any location in the world.

BASIS FOR FY 2007 BUDGET REQUEST:

FY 2007 Advance Procurement funding is requested for the long-lead requirements associated with the procurement of 19 V-22 aircraft in FY 2008. Airframe/CFE requirements are calculated on a termination liability basis, reflecting contractor's funding requirements for procurement of long lead parts and materials necessary to protect the delivery schedule. This budget request also includes EOQ funding in FY 2007 and FY 2008 to support a FY 2008 through FY 2012 multiyear procurement contract.

NOTE: The V-22 DON-07 budget request includes provisions for a multiyear procurement beginning in FY 2008. Multiyear exhibits are being submitted during this budget cycle to request approval of a multiyear procurement contract for FY 2008 through FY 2012.

Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)						Date: February 2006							
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/APN-1 Combat Aircraft						P-1 Line Item Nomenclature V-22 Advance Procurement							
Weapon System V-22 OSPREY				First System (BY1) Award Date Feb 2006				Interval Between Systems 1 Month					
(\$ in Millions)													
	PLT	When Rqd	Prior Years		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	To Complete	Total
End Item Qty			68		8	9	14	19	31	35	37	187	408
CFE - Airframe	34	Jan	376.151		54.315	65.801						548.651	1,044.918
EOQ/Long Lead													
for FY08							86.319						86.319
for FY09							22.591	109.328					131.919
for FY10							26.911	40.013	96.527				163.451
for FY11							29.335	44.872		101.902			176.109
for FY12							28.052	41.711			87.108		156.871
Total EOQ/Long Lead			0.000	0.000	0.000	0.000	193.208	235.924	96.527	101.902	87.108	0.000	714.669
GFE - Engine			8.281										8.281
GFE Other *	27-32	Various	75.766		0.405	0.637	0.872	1.380	1.628	1.631	2.008	6.880	91.206
Total AP			460.198	0.000	54.720	66.438	194.080	237.304	98.155	103.533	89.116	555.531	1,859.074
Description:													
<p>Airframe/CFE requirements are calculated on a termination liability basis, reflecting contractor's funding requirements for procurement of long lead parts and materials necessary to protect the delivery schedule. Includes ADF Antenna, AN/APN-194 Radar Alt Antenna, AN/ARN-147 Antenna, and External Power Monitor (Leadtime is 27-32 Months).</p> <p>Select components to facilitate reductions in production set-ups will be procured at economic order quantities (EOQ). Examples of the most advantageous items to procure utilizing EOQ funding include components such as Forward Looking Infrared Sensor (FLIR), Multi-Function displays (MFDs), Interface Units, the Flight control System and various machined parts and hydraulic components.</p>													
* Specify other items for all pages of this exhibit.													

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)							Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/APN-1 Combat Aircraft					Weapon System V-22 OSPREY		P-1 Line Item Nomenclature V-22 Advance Procurement		
(TOA, \$ in Millions)									
	PLT	QPA	Unit Cost	FY 2006 for FY 2007 Qty	FY 2006 Contract Forecast Date	FY 2006 Total Cost Request	FY 2007 for FY 2008 Qty	FY 2007 Contract Forecast Date	FY 2007Total Cost Request
End Item									
CFE - Airframe	34		TL	14	Dec-05	65.8	TL/EOQ for 159 aircraft	Jan-07	193.2
TERM LIABILITY									
GFE	27-32		Var.	Var.	Var.	0.6	Var.	Var.	0.9

BUDGET ITEM JUSTIFICATION SHEET

P-40

DATE:

February 2006

APPROPRIATION/BUDGET ACTIVITY
AIRCRAFT PROCUREMENT,NAVY/BA 1

P-1 ITEM NOMENCLATURE
UH-1Y/AH-1Z

Program Element for Code B Items:
0206131M

Other Related Program Elements

	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	9	B	7	10	18	19	23	23	23	148	280
Net P-1 Cost (\$M)	319.110		213.061	314.457	446.718	440.817	484.852	503.940	504.865	3,234.058	6,461.878
Advance Proc (\$M)											.000
WPN Sys Cost (\$M)	319.110		213.061	314.457	446.718	440.817	484.852	503.940	504.865		3,227.820
Initial Spares (\$M)	15.878		20.906	36.994	74.937	12.676	3.896	7.650			172.937
Proc Cost (\$M)	334.988		233.967	351.451	521.655	499.174	497.619	507.836	512.515	3,234.058	6,693.263
Unit Cost (\$M)	37.221		33.424	35.145	28.981	26.272	21.636	22.080	22.283	21.852	23.905

Mission Description: The mission of the AH-1Z attack helicopter is to provide rotary wing close air support, anti-armor, armed escort, armed/visual reconnaissance, anti-helicopter and point air defense and fire support coordination during day/night conditions. The mission of the UH-1Y utility helicopter is to provide command and control and combat assault support during day/night and reduced weather conditions. The UH-1Y/AH-1Z remanufacture program is a recapitalization effort that converts 180 AH-1Ws and 100 UH-1Ns into AH-1Zs and UH-1Ys, respectively. Major modifications include: a new 4-bladed rotor system with semiautomatic blade fold of the new composite rotor blades, new performance matched transmissions, a new 4-bladed tail rotor and drive system, upgraded landing gear, and pylon structural modifications. Both aircraft will also incorporate common, modernized and fully integrated cockpits/avionics that will reduce operator work load and improve situational awareness and safety. The UH-1Y/AH-1Z aircraft will have increased maneuverability, speed, and payload capability. Additionally, the AH-1Z will upgrade the current Night Targeting FLIR system to a 3rd generation, staring, focal plane array FLIR that will significantly extend autonomous weapons engagement ranges.

The FY07 President's budget incorporates funding for the UH-1Y build new strategy. This acquisition strategy procures new airframes for the UH-1Y aircraft rather than using remanufactured UH-1N airframes. This strategy began in FY05 with a Global War on Terrorism (GWOT) reprogramming of \$14.4M for non-recurring engineering. This build new strategy will reduce the induction lead time from 24 to 12 months for UH-1Ns, allowing them to remain in the fleet longer to support GWOT mission requirements. The remaining \$8.4M non-recurring engineering effort funded in FY07 allows for a reduction in lead time from 12 to 0 months, thereby allowing UH-1Ns to remain in the fleet. The UH-1Y build new strategy begins procurement of new UH-1Ys in FY06.

Basis for Request: Funds are requested in FY 2007 to procure 18 AH-1Z/UH-1Y helicopters.

NOTE: FY2006 reflects \$10.8M in Title IX funding.

Exhibit P-5 Cost Analysis		Weapon System						DATE:	
		UH-1Y/AH-1Z						Feb-06	
APPROPRIATION/BUDGET ACTIVITY		ID Code		P-1 ITEM NOMENCLATURE					
AIRCRAFT PROCUREMENT,NAVY/BA 1		B		UH-1Y/AH-1Z					
			Dollars in Thousands						
Cost	Element of Cost	Prior Years	FY 2005		FY 2006		FY 2007		
		QTY: 9	QTY:	7	QTY:	10	QTY:	18	
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	
1	AIRFRAME/CFE	170,186.084	15,518.509	108,629.560	14,700.227	147,002.266	12,789.789	230,216.202	
2	CFE ELECTRONICS								
3	GFE ELECTRONICS	8,059.764	1,125.323	7,877.263	1,084.656	10,846.557	1,596.932	28,744.779	
4	ENGINES / ENGINE ACC	9,927.438	1,203.723	8,426.060	1,474.318	14,743.178	1,595.508	28,719.138	
5	ARMAMENT	243.446	74.571	522.000	33.712	337.118	30.394	547.083	
6	INSTRUMENTS								
7	OTHER GFE	3,862.020	1,294.284	9,059.991	1,509.278	15,092.783	571.239	10,282.300	
8	REC FLYAWAY ECO	6,400.000	285.714	2,000.000	272.005	2,720.045	265.306	4,775.511	
9	Rec Flyaway Cost	198,678.752	19,502.125	136,514.874	19,074.195	190,741.947	16,849.167	303,285.013	
10	NON-RECURRING	23,813.154		17,938.483		12,890.944		15,520.536	
11	ANCILLARY EQUIPMENT			736.339		386.735		35,118.963	
12	MISCELLANEOUS								
13	Total Flyaway Cost	222,491.906	22,169.957	155,189.696	20,401.963	204,019.626	19,662.473	353,924.512	
14	AIRFRAME PGSE	7,084.438		7,828.867		33,177.859		36,516.119	
15	ENGINE PGSE								
16	AVIONICS PGSE								
17	PEC TRNG EQ	45,682.844		9,816.071		39,488.523		6,414.296	
18	PUBS / TECH DATA	6,667.538		14,759.765		10,551.464		6,508.399	
19	OTHER ILS	13,231.960		7,789.444		6,834.545		23,699.487	
20	FACILITIES MANAGEMENT	5,986.969							
21	FIELD ACTIVITIES								
22	PRODUCTION ENG SUPPORT	17,964.010		17,677.157		20,384.983		19,655.187	
23	MISCELLANEOUS SUPPORT								
24	Support Cost	96,617.759		57,871.304		110,437.374		92,793.488	
25	Gross P-1 Cost	319,109.665		213,061.000		314,457.000		446,718.000	
26	Adv Proc Credit								
27	Net P-1 Cost	319,109.665		213,061.000		314,457.000		446,718.000	
28	Adv Proc CY								
29	Weapon System Cost	319,109.665		213,061.000		314,457.000		446,718.000	
30	Initial Spares	15,878.000		20,906.000		36,994.000		74,937.000	
31	Procurement Cost	334,987.665		233,967.000		351,451.000		521,655.000	

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-5 Cost Analysis		Weapon System UH-1Y/AH-1Z						DATE: Feb-06			
APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT,NAVY/BA 1		ID Code B				P-1 ITEM NOMENCLATURE UH-1Y/AH-1Z					
						Dollars in Thousands					
Cost	Element of Cost	FY 2008		FY 2009		FY 2010		FY 2011		To Complete	Summary Total A/C
		QTY:	19	QTY:	23	QTY:	23	QTY:	23	QTY: 148	QTY: 280
		Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Cost	Total Cost
1	AIRFRAME/CFE										
2	CFE ELECTRONICS										
3	GFE ELECTRONICS										
4	ENGINES / ENGINE ACC										
5	ARMAMENT										
6	INSTRUMENTS										
7	OTHER GFE										
8	REC FLYAWAY ECO										
9	Rec Flyaway Cost										
10	NON-RECURRING										
11	ANCILLARY EQUIPMENT										
12	MISCELLANEOUS										
13	Total Flyaway Cost										
14	AIRFRAME PGSE										
15	ENGINE PGSE										
16	AVIONICS PGSE										
17	PEC TRNG EQ										
18	PUBS / TECH DATA										
19	OTHER ILS										
20	FACILITIES MANAGEMENT										
21	FIELD ACTIVITIES										
22	PRODUCTION ENG SUPPORT										
23	MISCELLANEOUS SUPPORT										
24	Support Cost										
25	Gross P-1 Cost										
26	Adv Proc Credit										
27	Net P-1 Cost										
28	Adv Proc CY										
29	Weapon System Cost										
30	Initial Spares										
31	Procurement Cost										

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System UH-1Y/AH-1Z			A. DATE February 2006			
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE					SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 1					UH-1Y/AH-1Z					U14B	
P-5A AIRFRAME/CFE											
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available	
AIRFRAME/CFE											
FY 2005	7	15,519	NAVAIR	Dec-02	C-FFP	BELL HELICOPTER TEXTRON INC, HURST, TX	Mar-05	Apr-07	YES	N/A	
FY 2006	10	14,700	NAVAIR	Mar-05	C-FFP	BELL HELICOPTER TEXTRON INC, HURST, TX	Apr-06	Jan-08	YES	N/A	
FY 2007	18	12,790	NAVAIR	Mar-05	C-FFP	BELL HELICOPTER TEXTRON INC, HURST, TX	Dec-06	Oct-08	NO	Oct-06	
D. Remarks:											

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System UH-1Y/AH-1Z		A. DATE February 2006			
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE				SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 1					UH-1Y/AH-1Z				U14B	
P-5A ENGINES / ENGINE ACC										
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available
ENGINES										
FY 2005	8	1,053	AMCOM	N/A	C-FFP	GENERAL ELECTRIC CO, LYNN,MA	Mar-05	Feb-06	YES	N/A
FY 2006	16	921	AMCOM	N/A	C-FFP	GENERAL ELECTRIC CO, LYNN,MA	Apr-06	Jul-07	YES	N/A
FY 2007	30	957	AMCOM	N/A	C-FFP	GENERAL ELECTRIC CO, LYNN,MA	Dec-06	Apr-08	NO	Oct-06
D. Remarks:										
New Engines will be procured for the UH-1Y only. The AH-1Z will utilize refurbished engines from the AH-1W aircraft.										

BUDGET PRODUCTION SCHEDULE, P-21										DATE February 2006																				
APPROPRIATION/BUDGET ACTIVITY					Weapon System		P-1 ITEM NOMENCLATURE																							
Aircraft Procurement, Navy/ BA-1					UH-1Y/AH-1Z		UH-1Y/AH-1Z																							
		Production Rate			Procurement Leadtimes																									
Item	Manufacturer's Name and Location	MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																				
AH-1Z/ UH-1Y Airframe	Bell Helicopter, Ft. Worth TX	12	42	84	10	6		22	28	E																				
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2006												FISCAL YEAR 2007												B A L
						CALENDAR YEAR 2006												CALENDAR YEAR 2007												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
AH-1Z Airframe	04	N	3	0	3								1				1			1									0	
UH-1Y Airframe	04	N	6	0	6								1		1		1			1		1							0	
AH-1Z Airframe	05	N	3	0	3																		1				1		1	
UH-1Y Airframe	05	N	4	0	4																		1			1	1		1	
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2008												FISCAL YEAR 2009												B A L
						CALENDAR YEAR 2008												CALENDAR YEAR 2009												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
AH-1Z Airframe	05	N	3	2	1			1																					0	
UH-1Y Airframe	05	N	4	5	1	1																							0	
AH-1Z Airframe	06	N	2	0	2							1				1													0	
UH-1Y Airframe	06	N	8	0	8				1	1	1		1	1	1	1	1											0		
AH-1Z Airframe	07	N	3	0	3													1		1				1					0	
UH-1Y Airframe	07	N	15	0	15													1	1	1	2	1	1	2	1	1	1	1	2	0

DD Form 2445, JUL 87 Previous editions are obsolete P-1 SHOPPING LIST
 311 / 244 ITEM NO 9 PAGE 7 Exhibit P-21 Production Schedule

DD Form 2445, JUL 87 Previous editions are obsolete P-1 SHOPPING LIST
 311 / 244 ITEM NO 9 PAGE 8 Exhibit P-21 Production Schedule

DD Form 2445, JUL 87	Previous editions are obsolete	P-1 SHOPPING LIST	
311 / 244		ITEM NO 9 PAGE 9	Exhibit P-21 Production Schedule

BUDGET ITEM JUSTIFICATION SHEET

P-40

DATE:

February 2006

APPROPRIATION/BUDGET ACTIVITY
AIRCRAFT PROCUREMENT,NAVY/BA 1

P-1 ITEM NOMENCLATURE
MH-60S (MYP)

Program Element for Code B Items:
0204453N

Other Related Program Elements

	Prior Years		ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	78		A	15	26	18	20	26	26	26	36	271
Net P-1 Cost (\$M)	1,386.941		A	290.245	457.609	458.158	475.595	634.998	582.596	628.096	782.232	5,696.470
Advance Proc (\$M)	409.136		A	104.545	124.136	90.401	113.703	120.241	120.567	89.174	91.449	1,263.352
WPN Sys Cost (\$M)	1,796.077		A	394.790	581.745	548.559	589.298	755.239	703.163	717.270	873.681	6,959.822
Initial Spares (\$M)	114.590		A	10.523	13.668	17.115	14.337	3.444	2.517	3.628	.000	179.822
Proc Cost (\$M)	1,910.667		A	405.313	595.413	565.674	603.635	758.683	705.680	720.898	873.681	7,139.644
Unit Cost (\$M)	24.496		A	27.021	22.901	31.426	30.182	29.180	27.142	27.727	24.269	26.346

Description:

The Helicopter Combat Support (HC) mission of the MH-60S is to maintain forward deployed fleet sustainability through rapid airborne delivery of materials and personnel and to support amphibious operations through search and rescue coverage. The primary roles of the aircraft are to conduct vertical replenishment (VERTREP), day/night ship-to-ship, ship-to-shore, and shore-to-ship external transfer of cargo; internal transport of passengers, mail and cargo, vertical onboard delivery (VOD) ; airhead operations, and day/night search and rescue (SAR). Armed Helo and Organic Airborne Mine Countermeasures (OAMCM) have been added as primary mission areas for the MH-60S, to be completed as block upgrades to the platform. The purpose of the Armed Helo program is to provide Combat Search and Rescue (CSAR), Anti-Surface Warfare (SUW), and Force Protection (FP). The purpose of the OAMCM program is to ensure integration of five separate sensors into the MH-60S helicopter. The AMCM mission will provide Carrier Battle Groups (CVBGs) and Amphibious Readiness Groups (ASGs) with an OAMCM capability. The aircraft secondary roles include torpedo and drone recovery, noncombatant evacuation operations (NEO), SEAL and EOD support.

Basis for Request:

FY07 funds the procurement of 18 MH-60S aircraft. Follow on joint service multiyear procurement contract is planned for FY 2007-FY2011, with economic order quantity (EOQ) funding beginning in FY 2006. The common cockpits for the MH-60R and MH-60S are being procured under a Multiyear Procurement (MYP) contract (FY 2005 - FY 2008), with an option year in FY 2009. The common cockpit MYP funding reflects applicable EOQ requirements. FY07 Ancillary reflects the fielding of MH-60S Block Upgrades for Armed Helo and Advanced Mine Countermeasures (AMCM) to provide kits for mission capable aircraft.

NOTE: FY2005 Program Funding does not match P-1 due to Database errors.

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-5 Cost Analysis		Weapon System MH-60S (MYP)					DATE: Feb-06	
APPROPRIATION/BUDGET ACTIVITY		ID Code		P-1 ITEM NOMENCLATURE				
AIRCRAFT PROCUREMENT,NAVY/BA 1		A		MH-60S (MYP)				
			Dollars in Thousands					
Cost	Element of Cost	Prior Years	FY 2005		FY 2006		FY 2007	
		QTY: 78	QTY: 15	QTY: 26	QTY: 18			
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1	AIRFRAME/CFE	896,262.013	12,339.679	185,095.183	13,413.038	348,738.989	14,129.408	254,329.347
2	CFE ELECTRONICS							
3	GFE ELECTRONICS	195,775.811	1,938.911	29,083.661	2,051.229	53,331.962	2,423.319	43,619.746
4	ENGINES / ENGINE ACC	112,809.370	1,324.720	19,870.796	1,343.936	34,942.348	1,373.008	24,714.146
5	ARMAMENT							
6	INSTRUMENTS							
7	OTHER GFE	4,112.415	29.102	436.531	203.461	5,289.978	393.839	7,089.105
8	REC FLYAWAY ECO				226.191	5,880.968	282.588	5,086.587
9	Rec Flyaway Cost	1,208,959.609	15,632.411	234,486.171	17,237.856	448,184.245	18,602.163	334,838.931
10	NON-RECURRING	80,020.848		37,150.724		13,728.734		13,682.956
11	ANCILLARY EQUIPMENT	63,150.416		36,718.538		41,966.923		131,533.346
12	MISCELLANEOUS							
13	Total Flyaway Cost	1,352,130.873	20,557.029	308,355.433	19,379.996	503,879.902	18,463.663	480,055.233
14	AIRFRAME PGSE	32,135.903		6,745.480		7,040.711		4,603.596
15	ENGINE PGSE	1,984.850		477.964		1,350.000		350.000
16	AVIONICS PGSE	19,702.035		3,667.823		3,500.000		3,784.303
17	PEC TRNG EQ	157,410.920		25,661.878		20,895.152		53,141.127
18	PUBS / TECH DATA	19,587.470		3,665.697		2,590.000		2,480.000
19	OTHER ILS	13,087.665		3,770.751		2,930.000		2,830.000
20	FACILITIES MANAGEMENT							
21	FIELD ACTIVITIES	91,800.674		26,272.207		21,370.235		25,713.741
22	PRODUCTION ENG SUPPORT	12,224.610		3,857.796		500.000		500.000
23	MISCELLANEOUS SUPPORT							
24	Support Cost	347,934.127		74,119.596		60,176.098		93,402.767
25	Gross P-1 Cost	1,700,065.000		382,475.029		564,056.000		573,458.000
26	Adv Proc Credit	-313,124.000		(92,230.029)		-106,447.000		-115,300.000
27	Net P-1 Cost	1,386,941.000		290,245.000		457,609.000		458,158.000
28	Adv Proc CY	409,136.000		104,545.000		124,136.000		90,401.000
29	Weapon System Cost	1,796,077.000		394,790.000		581,745.000		548,559.000
30	Initial Spares	114,590.000		10,523.000		13,668.000		17,115.000
31	Procurement Cost	1,910,667.000		405,313.000		595,413.000		565,674.000

Totals may not add due to rounding
DD Form 2454, Jun 86

P-1 Shopping List Item No 10

CLASSIFICATION:

UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)						Weapon System MH-60S (MYP)			A. DATE February 2006		
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE					SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 1					MH-60S (MYP)					U1VR	
P-5A AIRFRAME/CFE											
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available	
AIRFRAME/CFE											
FY 2005	15	12,340	ARMY	Oct-00	SS-MYP	SIKORSKY AIRCRAFT CORPORATION, STRATFORD, CT	Dec-04	May-05	Yes	N/A	
FY 05 Advance Procurement for FY 06			ARMY	Oct-00	SS-MYP	SIKORSKY AIRCRAFT CORPORATION, STRATFORD, CT	Dec-04		Yes	N/A	
FY 2006	26	13,413	ARMY	Oct-05	SS-MYP	SIKORSKY AIRCRAFT CORPORATION, STRATFORD, CT	Jan-06	Jul-06	Yes	N/A	
FY 06 Advance Procurement for FY 07			ARMY	Oct-05	SS-MYP	SIKORSKY AIRCRAFT CORPORATION, STRATFORD, CT	Jan-06		Yes	N/A	
FY 2007	18	14,129	ARMY	Oct-05	SS-MYP	SIKORSKY AIRCRAFT CORPORATION, STRATFORD, CT	Dec-06	Jul-07	Yes	N/A	
FY 07 Advance Procurement for FY 08			ARMY	Oct-05	SS-MYP	SIKORSKY AIRCRAFT CORPORATION, STRATFORD, CT	Dec-06		Yes	N/A	
D. Remarks:											

CLASSIFICATION:

UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)						Weapon System MH-60S (MYP)		A. DATE February 2006		
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE				SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 1					MH-60S (MYP)				U1VR	
P-5A ENGINES / ENGINE ACC										
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available
ENGINES										
FY 2005	30	582	ARMY	May-02	SS-FFP	GENERAL ELECTRIC CO, LYNN,MA	Mar-05	Mar-05	Yes	N/A
FY 05 Advance Procurement for FY 06			ARMY	May-02	SS-FFP	GENERAL ELECTRIC CO, LYNN,MA	Mar-05		Yes	N/A
FY 2006	52	597	ARMY	May-02	SS-FFP	GENERAL ELECTRIC CO, LYNN,MA	Mar-06	Mar-06	Yes	N/A
FY 06 Advance Procurement for FY 07			ARMY	May-02	SS-FFP	GENERAL ELECTRIC CO, LYNN,MA	Mar-06		Yes	N/A
FY 2007	36	610	ARMY	May-02	SS-FFP	GENERAL ELECTRIC CO, LYNN,MA	Mar-07	Mar-07	Yes	N/A
FY 07 Advance Procurement for FY 08			ARMY	May-02	SS-FFP	GENERAL ELECTRIC CO, LYNN,MA	Mar-07		Yes	N/A
D. Remarks:										

CLASSIFICATION: **UNCLASSIFIED****UNCLASSIFIED**

CLASSIFICATION:

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System MH-60S VERTREP		A. DATE Feb 2006			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/Combat Aircraft (BA 1)					C. P-1 ITEM NOMENCLATURE MH-60S Vertical Replenishment (MYP)				SUBHEAD U1VR	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (\$000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>Common Cockpit</u>										
FY 2005	15	1,519	NAVAIR	Aug-03	SS/MYP	Lockheed Martin, Owego, NY	Dec-04	Mar-05	Yes	N/A
FY 2005 for FY 2006 AP			NAVAIR	Aug-03	SS/MYP	Lockheed Martin, Owego, NY	Dec-04		Yes	N/A
FY 2006	26	1,518	NAVAIR	Aug-03	SS/MYP	Lockheed Martin, Owego, NY	Jan-06	Mar-06	Yes	N/A
FY 2006 for FY 2007 AP			NAVAIR	Aug-03	SS/MYP	Lockheed Martin, Owego, NY	Jan-06		Yes	N/A
FY 2007	18	1,879	NAVAIR	Aug-03	SS/MYP	Lockheed Martin, Owego, NY	Dec-06	Mar-07	Yes	N/A
FY 2007 for FY 2008 AP			NAVAIR	Aug-03	SS/MYP	Lockheed Martin, Owego, NY	Dec-06		Yes	N/A
D. REMARKS										
Note: The amounts may be off due to rounding.										

DD Form 2446-1, JUL 87

P-1 SHOPPING LIST

ITEM NO. 10

PRODUCTION SCHEDULE, P-21							DATE		Feb 2006																						
APPROPRIATION/BUDGET ACTIVITY							Weapon System		P-1 ITEM NOMENCLATURE																						
Aircraft Procurement, Navy/Combat Aircraft (BA 1)							MH-60S VERTREP		MH-60S Vertical Replenishment (MYP)																						
		Production Rate			Procurement Leadtimes																										
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																	
Airframe	Sikorsky Aircraft Div					18	24	60		3	18	19	22	E																	
	Stratford, CT																														
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005										FISCAL YEAR 2006										B A L				
							2004			CALENDAR YEAR 2005							CALENDAR YEAR 2006														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Airframe		05	N	15	0	15								1	1	0	0	2	1	2	1	1	1	2	1	1	1				0
Airframe		06	N	26	0	26																					2	2	2	20	
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007										FISCAL YEAR 2008										B A L				
							2006			CALENDAR YEAR 2007							CALENDAR YEAR 2008														
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Airframe		06	N	26	6	20	2	2	2	2	2	2	3	2	3																0
Airframe		07	N	18	0	18										2	2	1	2	2	1	1	2	2	1	1	1				0

Note: FY-05 reflects early deliveries.

PRODUCTION SCHEDULE, P-21						DATE		Feb 2006																							
APPROPRIATION/BUDGET ACTIVITY						Weapon System		P-1 ITEM NOMENCLATURE																							
Aircraft Procurement, Navy/Combat Aircraft (BA 1)						MH-60S VERTREP		MH-60S Vertical Replenishment (MYP)																							
		Production Rate			Procurement Leadtimes																										
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																	
Engines	General Electric Co.					0	168	960	9	6	12	12	18	E																	
	Lynn, MA																														
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005												FISCAL YEAR 2006												B A L
							2004			CALENDAR YEAR 2005									CALENDAR YEAR 2006												
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Engine		05	N	30	0	30						2	2	4	2	4	2	2	2	4	2	2	2								0
Engines		06	N	52	0	52																	4	4	4	4	4	4	4	4	24
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007												FISCAL YEAR 2008												B A L
							2006			CALENDAR YEAR 2007									CALENDAR YEAR 2008												
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Engines		06	N	52	28	24	4	4	6	4	6																				0
Engines		07	N	36	0	36						4	4	2	4	4	2	2	4	4	2	2	2								0

PRODUCTION SCHEDULE, P-21							DATE		Feb 2006																						
APPROPRIATION/BUDGET ACTIVITY							Weapon System		P-1 ITEM NOMENCLATURE																						
Aircraft Procurement, Navy/Combat Aircraft (BA 1)							MH-60S VERTREP		MH-60S Vertical Replenishment (MYP)																						
		Production Rate			Procurement Leadtimes																										
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																	
Common Cockpit (MYP)	Lockheed Martin					18	24	60	9	3	21	15	18	E																	
	Owega, NY																														
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005												B A L												
							2004			CALENDAR YEAR 2005								CALENDAR YEAR 2006													
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Common Cockpit		05	N	15	0	15						1	1	2	2	2	1	1	1	1	1	1	1							0	
Common Cockpit		06	N	26	0	26																	2	2	2	2	2	2	2	12	
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007												B A L												
							2006			CALENDAR YEAR 2007								CALENDAR YEAR 2008													
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
Common Cockpit		06	N	26	14	12	2	2	3	2	3																			0	
Common Cockpit		07	N	18	0	18						2	2	1	2	2	1	1	2	2	1	1	1							0	

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

1. Multiyear Procurement Description:

This package represents the procurement of 273 UH-60M BLACK HAWK aircraft, 116 MH-60S SEAHAWK and 144 MH-60R aircraft on a five year airframe contract over the period FY07-11. Adding the production of MH-60R model aircraft to this contract, at a rate of 24-32 per year will further increase the economic benefits of this multi-year contract. These exhibits are submitted as an update to the PB06 submission, which has been approved by Congress, to reflect quantity changes within the FYDP. The Navy MH-60S aircraft are essentially the same configuration as those procured on the FY02-06 joint multiyear contract with the UH-60L BLACK HAWK. The Army UH-60M aircraft include the UH-60M baseline aircraft and the UH-60M Upgrade aircraft configuration. All requirements for these aircraft are funded in the FY07 President's Budget and will be included in the base contract quantity. In the event of a significant delay in either service's program, the multiyear contract will include mechanisms which will allow for the award of a single service multiyear contract, which can be converted to a multi-service multiyear contract at the Government's discretion. An update will be provided 30 days prior to the proposed contract award. The U.S. Army /Navy proposes the UH-60M BLACK HAWK/MH-60S SEAHAWK and the MH-60R helicopter system (airframe) as a multiyear contract for FY07-11 since it satisfies each of the elements of the criteria as indicated below:

2. Benefit to the Government:

a. Substantial Cost Avoidance:

(1) Based on a comparison of the estimated prices for five single year contracts to the estimated price for one five year multiyear for the UH-60M airframe over the period FY07-11, there is a cost avoidance of approximately \$236.5 million for multiyear contracting over single year contracting. Based on a comparison of

P-1 Shopping List – Item No. 10

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

estimated prices for five single year contracts to the estimated price for one five year multiyear for the MH-60S airframes over the period FY07-11, there is a cost avoidance of approximately \$95.5 million for the multiyear contracting for the MH-60S over single year contracting and there is a cost avoidance of approximately \$74.3 million for the multiyear contracting for the MH-60R over single year contracting. The current UH-60M, MH-60S and MH-60R budgets are based on a follow-on multiyear contract beginning in FY07.

(2) Where possible, alternate sources have been found for parts in order to encourage competition and reduce costs. Alternate suppliers are interested in providing bids and making significant investments only as a result of the long-term stability provided by the multiyear. Some components have minimum buy quantities, which may not be met under single year procurements, driving up unit costs as the total cost is artificially high. Multiyear procurement quantities will allow the prime contractor and subcontractors at all tiers to exceed minimum order quantities resulting in reduced costs for these components. Typically suppliers will provide price discounts to lock in business. Given a five year contract, suppliers will have greater total business and greater stability. Therefore, they will be capable of finding innovative processes and be able to justify capital investments necessary to reduce costs. Some of these cost reductions will be passed on to the customer in the form of price reductions. In addition, to these types of process innovations and capital investments, competition is expected to be greater based on larger purchase volumes.

(3) Administrative costs are reduced since there is only one proposal, negotiation, and purchase order instead of a string of five single year procurement actions. These costs are reduced to the prime contractor, since they have only one contract to negotiate with the government vice five. Prime contractor costs will also be reduced, as subcontracts at all tiers will only be entered into once. Some suppliers include proposal preparation and negotiation as a direct charge to the purchase order; in these cases a dollar for dollar reduction will be realized as a result of the single proposal action. Additional administrative reduction is realized in production planning.

P-1 Shopping List – Item No. 10

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

Production line administrative processes will only be performed once, rather than five times under single year procurement, resulting in significant cost avoidance.

(4) The transition to a product development process based on electronic data is complete. Product data creation for new design is performed exclusively in a 3D CAD environment. Commitment to the constant improvement of the design technology is continuing under the Lean Digital Product Development project. New capabilities are being implemented of which many will be released during the new proposed multi year contract. These activities are part of a multi-million dollar project aimed at increasing engineering productivity by at least 25%, reducing the cost of quality, and enabling design collaboration with suppliers. Once again the business base created by the multiyear procurement justified the original investment and will be necessary for continued significant investment in this critical area.

(5) The prime contractor sets the standard for the vendors that support his contract commitments and as new processes and innovations are implemented at the prime facility, the vendors are encouraged to adopt those elements that enhance their performance. The stability of long term commitments supported by multiyear contracts provides the collateral required to support their financial investments.

(6) New training programs for first time subcontractors will be initiated on an as required basis, especially in the highly skilled trades areas. Existing training programs for Sikorsky and its major subcontractors will provide the ability to maintain a highly trained staff for a multiyear program, because it will allow a stable employment base.

(7) Use of Vendor Multiyear Contracts: Subcontractors are receiving purchase orders for the total quantity authorized for the prime contract.

P-1 Shopping List – Item No. 10

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

b. Stability of Requirement: The UH-60M BLACK HAWK is one of the core aviation programs and is approved for procurement by the Army through FY11. The minimum need for the UH-60M BLACK HAWK is not expected to decrease during the contemplated contract period, as the requirement for over 1800 replacement aircraft will support a production line well into the 2020s. The Navy initiated its procurement of the MH-60S in FY99, with a requirement to buy an average of 20 aircraft per year for a total of 271 aircraft. The MH-60S SEAHAWK aircraft support U.S. Navy Helo Concept of Operations (CONOPS) and are approved for procurement by the Navy through FY11. The Navy's total MH-60S requirement is set forth in the Chief of Naval Operations approved Navy Helo CONOPS plan of 2002 and is a key component in the modernization and recapitalization of the Naval Helicopter force through 2020. The Navy initiated its new build procurement of MH-60R in FY04, with a requirement to buy a total of 252 aircraft. The MH-60R aircraft supports U.S. Navy Helo CONOPS and are approved for procurement by the Navy through FY14. The Navy's total MH-60R requirement is set forth in the Chief of Naval Operations approved Navy Helo CONOPS plan dated 24 September 2002 and is a key component in the modernization and recapitalization of the Naval Helicopter force.

c. Stability of Funding: The funding for the UH-60M, MH-60S and MH-60R programs is stable. The Army has consistently included funding for the BLACK HAWK in all budget submissions. Congressional action has provided funds above the President's Budget for UH-60 aircraft in the current multiyear contract in each of the last five years. The Navy has consistently provided funding for the MH-60S program. The success of the prior six multiyear contracts for the UH-60A/L and the prior multiyear contract for MH-60S has provided the confidence in the programs to obtain full support by all levels of the budget process. The funding for MH-60R program is consistent with an Independent Cost Estimate which supports the MS III funding decision. MS III scheduled for 23 January 2006 supports entry into full rate production. The Navy and Congress has consistently supported and provided funding for the MH-60R program.

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

d. Stable Configuration: The UH-60 will be in the thirty-first year and the MH-60S will be in the sixth year of full-rate production in FY07 and will be produced in basically the same configurations that have been utilized over the prior thirty years and six years respectively. There have been configuration changes during that period to allow for changing mission requirements or to improve on the producibility or reliability of the system. Similar configuration changes will be included under this contract, including bringing the UH-60M aircraft to the upgraded UH-60M configuration. The MH-60R is the cornerstone of the CNO approved Helo CONOPS replacing the aging SH-60B and SH-6F helicopters. The MH-60R aircraft is a derivative of the SH-60B/F/H platforms. The MH-60R program is currently in its third year of Low Rate Initial Production (LRIP) and will be in the second year of full-rate production in FY07. The proposed contract will procure three distinct service configurations—the Army UH-60M, the Navy MH-60S and the Navy MH-60R. Commonality between the three configurations is substantial.

e. Realistic Cost Estimate: The procurement cost estimate for the UH-60M/MH-60S/MH-60R program is realistic. The current procurement cost estimate is based on negotiated FY02-06 multiyear prices, UH-60M LRIP proposal data and UH-60M contract experience (36 months on contract). The third prototype aircraft under this contract is a new production UH-60M. The MH-60R procurement cost estimate is based on negotiated FY04-05 prices. The contract will be a Firm Fixed Price (FFP) contract with no unfunded cancellation ceiling.

f. National Security: As a principle element of the Defense Planning Guidance, the Department of the Navy developed its Transformation Roadmap. The Roadmap describes the key naval concepts, capabilities, initiatives, processes and programs that will guide the transformation efforts of the Navy. Naval transformation will support joint transformation by delivering new military capabilities that will greatly expand the sovereign options available to joint force commanders to project power, assure access, and protect and advance America's interests worldwide in the face of emergent threat technologies and strategies. One of these naval concepts is Sea Shield.

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

Sea Shield permits the joint force to operate effectively despite adversary efforts to deny theater access to U.S. forces. It achieves these goals by exploiting global sea control to defeat area denial threats including aircraft, missiles, small littoral surface combatants, mines, and submarines. Concepts and capabilities are being developed to counter the threats from quiet diesel submarines operating near the coast and mines in and beyond the surf zone. Key components that will provide these capabilities are the MH-60 Seahawk aircraft. Section III of the Defense Planning Guidance, FY 1999-2003, dated 2 July 1997, states that readiness and sustainability remain the top priorities of the Department of Defense. A flexible vertical replenishment at-sea capability is vital to these objectives.

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

3. Breakout of Cost Avoidance: (Details are contained in MYP2-4)

	<u>\$ in Millions</u>	<u>\$ in Millions</u>
	Army	Navy
Inflation	\$24.6	\$8.1
Vendor Procurement	\$159.6	\$68.6
Manufacturing	\$25.1	\$84.8
Other	\$27.2	\$8.3
Total	\$236.5	\$169.8

4. Advantages of the MYP: A Multi-service multiyear contract results in a significant cost avoidance (\$406.3M) over a single year approach, eliminates duplicative project management costs, maintains the capability to produce additional aircraft to meet the needs of mobilization and FMS sales, and maintains an industrial base necessary to meet the production requirements of current and future helicopter systems.

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

5. Impact on Industrial Base:

Implementation of this proposed MYP will yield a favorable impact on the industrial base. The stability afforded by the use of a multiyear procurement will allow the prime contractor to enter into long term agreements with suppliers, at every tier, which provide substantial cost avoidance.

Significant competition at the subcontractor level is expected as a result of the proposed five year FY07-11 airframe multiyear contracting strategy. Competitive bids are expected to be at an annual rate of approximately 45 percent. Every opportunity to encourage dual sourcing at the subcontractor level will be pursued. The first tier subcontractor plan will be structured to encourage competition at the second tier supplier level, indicating full utilization of small and disadvantaged businesses. While significant supplier downsizing and consolidation have occurred due to a general reduction in spending, multiyear contracting will produce acceptable supplier pricing due to the stable business base.

Production Capacity: Present tooling can produce approximately 17 aircraft per month by the prime contractor. This capacity is more than adequate to accommodate the FY07-11 airframe multiyear contract requirements.

Exhibit MYP-1, Multiyear Procurement CriteriaProgram: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME6. Multiyear Procurement Summary:

Army	<u>ANNUAL CONTRACTS</u>	<u>MYP ALTERNATIVE</u>
Quantity	273	273
Total Contract Price	\$3,757.6M	\$3,521.1M
Cancellation Ceiling	\$0.0	\$0.0
\$ Cost Avoidance Over Annual		\$236.5M
% Cost Avoidance Over Annual		6.3%
Navy (MH-60S)	<u>ANNUAL CONTRACTS</u>	<u>MYP ALTERNATIVE</u>
Quantity	116	116
Total Contract Price	\$1,825.4M	\$1,729.9M
Cancellation Ceiling	\$0.0	\$0.0
\$ Cost Avoidance Over Annual		\$95.5M
% Cost Avoidance Over Annual		5.2%

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

Navy (MH-60R)	<u>ANNUAL CONTRACTS</u>	<u>MYP ALTERNATIVE</u>
Quantity	144	144
Total Contract Price	\$1,811.0M	\$1,736.7M
Cancellation Ceiling	\$0.0	\$0.0
\$ Cost Avoidance Over Annual		\$74.2M
% Cost Avoidance Over Annual		4.1%

Note: Numbers may be off due to rounding.

Exhibit MYP-2 Program Funding Plan					Date: February, 2006							
Appropriation/Budget Activity					P-1 Line Item Nomenclature:							
Aircraft Procurement Army (P1100)					Army UH-60M MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		38	51	75	64	45						273
Annual Procurement												
Gross Cost		669.319	858.907	1,262.920	1,182.933	864.923						4,839.002
Less PY Adv Procurement		(77.991)	(98.312)	(154.347)	(145.161)	(105.969)						(581.780)
Net Procurement(=P-1)		591.328	760.595	1,108.573	1,037.772	758.954						4,257.222
Advance Procurement												
For FY07	77.991											
For FY08		98.312										
For FY09			154.347									
For FY10				145.161								
For FY11					105.969							
Plus CY Adv Procurement	77.991	98.312	154.347	145.161	105.969							581.780
Weapon System Cost	77.991	689.640	914.942	1,253.734	1,143.741	758.954						4,839.002
Multiyear Procurement												
Gross Cost (P-1)		632.542	813.780	1,206.245	1,129.509	820.386						4,602.462
Less PY Adv Procurement		(77.991)	(162.786)	(192.605)	(173.820)	(121.881)						(729.083)
Net Procurement(=P-1)		554.551	650.994	1,013.640	955.689	698.505						3,873.379
Advance Procurement												
For FY07	77.991											77.991
For FY08		162.786										162.786
For FY09		15.109	177.496									192.605
For FY10		5.051	6.017	162.752								173.820
For FY11		2.899	2.960	3.022	113.000							121.881
Plus CY Adv Procurement	77.991	185.845	186.473	165.774	113.000							729.083
Weapon System Cost	77.991	740.396	837.467	1,179.414	1,068.689	698.505						4,602.462
Multiyear Savings(\$)		(50.756)	77.475	74.320	75.052	60.449						236.540
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	14.407	164.550	514.557	822.181	1049.688	1034.733	733.457	299.795	120.012	61.063	24.559	4,839.002
Multiyear	14.407	173.925	524.430	782.599	986.424	968.819	683.262	277.488	111.787	56.718	22.603	4,602.462
Savings		(9.375)	(9.873)	39.582	63.264	65.914	50.195	22.307	8.225	4.345	1.956	236.540
Remarks:												
Quantities as represented in PB07 Budget.												
Current UH-60M Budgets assume MYP strategy already, if no MYP then Annual Budget will need additional funding.												
All numbers are in millions.												

Exhibit MYP-2 Program Funding Plan					Date: February, 2006							
Appropriation/Budget Activity					P-1 Line Item Nomenclature:							
Aircraft Procurement Navy/Airlift/Aircraft, (BA-2)					Navy MH-60S MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		18	20	26	26	26						116
Annual Procurement												
Gross Cost		587.560	578.190	769.510	730.560	780.060						3,445.880
Less PY Adv Procurement		(123.830)	(88.250)	(115.580)	(128.480)	(131.900)						(588.040)
Net Procurement(=P-1)		463.730	489.950	653.930	602.080	648.160						2,857.840
Advance Procurement												
For FY07	122.470											
For FY08	1.670	86.060										
For FY09			115.580									
For FY10				128.480								
For FY11					131.900							
Plus CY Adv Procurement	124.140	86.060	115.580	128.480	131.900							586.160
Weapon System Cost	124.140	549.790	605.530	782.410	733.980	648.160						3,444.000
Multiyear Procurement												
Gross Cost (P-1)		573.460	562.150	748.350	708.780	757.630						3,350.370
Less PY Adv Procurement		(115.300)	(86.560)	(113.350)	(126.190)	(129.540)						(570.930)
Net Procurement(=P-1)		458.160	475.600	635.000	582.600	628.100						2,779.440
Advance Procurement												
For FY07	113.940											113.940
For FY08	4.300	81.730										86.030
For FY09	2.600	2.890	107.860									113.350
For FY10	1.700	2.890	2.920	118.680								126.190
For FY11	1.600	2.890	2.920	1.560	120.570							129.540
Plus CY Adv Procurement	124.140	90.400	113.700	120.240	120.570							569.050
Weapon System Cost	124.140	548.560	589.300	755.240	703.160	628.100						3,348.490
Multiyear Savings(\$)		1.230	16.230	27.170	30.820	20.060						95.510
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	27.680	172.260	390.700	580.240	676.850	704.100	530.580	249.850	62.930	32.610	16.200	3,444.000
Multiyear	27.680	171.980	386.590	567.340	654.390	678.760	512.150	241.770	60.730	31.400	15.700	3,348.490
Savings		0.270	4.110	12.900	22.470	25.330	18.430	8.080	2.200	1.210	0.500	95.510
Remarks:												
Annual AP scenario includes CC MYP EOQ												
Quantities as represented in PB07 Budget.												
Current MH-60S Budgets assume MYP strategy already, if no MYP then Annual Budget will need additional funding.												
All numbers are in millions, except where noted.												
Assumes concurrent production with MH-60R.												

Exhibit MYP-2 Program Funding Plan					Date: February, 2006							
Appropriation/Budget Activity					P-1 Line Item Nomenclature:							
Aircraft Procurement Navy/Airlift/Aircraft, (BA-1)					Navy MH-60R MYP(Airframe)							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		25	25	31	32	31						144
Annual Procurement												
Gross Cost		924.720	925.490	1,128.290	1,227.220	1,239.550						5,445.270
Less PY Adv Procurement		(116.590)	(118.150)	(142.420)	(171.960)	(173.130)						(722.260)
Net Procurement(=P-1)		808.130	807.340	985.870	1,055.260	1,066.410						4,723.010
Advance Procurement												
For FY07	115.870											
For FY08	1.730	116.080										
For FY09		2.200	140.220									
For FY10		1.100	7.150	163.710								
For FY11		1.100	5.500	2.200	164.330							
Plus CY Adv Procurement	117.600	120.480	152.870	165.910	164.330							721.200
Weapon System Cost	117.600	928.610	960.220	1,151.780	1,219.590	1,066.410						5,444.210
Multiyear Procurement												
Gross Cost (P-1)		911.850	912.740	1,112.440	1,210.690	1,223.290						5,371.010
Less PY Adv Procurement		(116.590)	(114.550)	(133.870)	(176.910)	(180.330)						(722.260)
Net Procurement(=P-1)		795.260	798.190	978.570	1,033.780	1,042.950						4,648.760
Advance Procurement												
For FY07	115.870											115.870
For FY08	1.730	112.480										114.210
For FY09		4.000	129.870									133.870
For FY10		2.000	13.000	161.910								176.910
For FY11		2.000	10.000	4.000	164.330							180.330
Plus CY Adv Procurement	117.600	120.480	152.870	165.910	164.330							721.200
Weapon System Cost	117.600	915.740	951.060	1,144.480	1,198.120	1,042.950						5,369.950
Multiyear Savings(\$)		12.870	9.150	7.300	21.470	23.460						74.250
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	26.220	254.120	619.440	913.310	1050.810	1121.060	870.520	407.690	100.410	53.950	26.660	5,444.210
Multiyear	26.220	251.250	612.250	904.320	1039.930	1104.470	854.120	399.650	98.770	52.900	26.070	5,369.950
Savings		2.870	7.190	8.990	10.890	16.590	16.400	8.050	1.640	1.050	0.590	74.250
Remarks:												
Annual AP scenario includes Common Cockpit and Mission Systems MPY EOQ												
Quantities as represented in PB07 Budget.												
All numbers are in millions, except where noted.												
All savings projections are assumed.												

Exhibit MYP-3 Contract Funding Plan					Date: February, 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature							
Aircraft Procurement Army/Aircraft Procurement Navy/Airlift/Aircraft					Army UH-60M BLACKHAWK(MYP)/Navy MH-60S MYP/Navy MH-60R MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		81	96	132	122	102						533
Annual Procurement												
Gross Cost		1,062.613	1,301.766	1,800.218	1,747.821	1,481.575						7,394.003
Less PY Adv Procurement		(132.444)	(118.405)	(158.014)	(165.511)	(150.571)						(724.955)
Net Procurement(=P-1)		930.179	1,183.361	1,642.204	1,582.320	1,331.004						6,669.048
Plus CY Adv Procurement	132.444	118.405	158.014	165.511	150.571							724.955
Contract Price	132.444	1,048.584	1,341.375	1,807.715	1,732.891	1,331.004						7,394.003
Multiyear Procurement												
Gross Cost (P-1)		998.876	1,227.849	1,706.533	1,656.097	1,398.358						6,987.703
Less PY Adv Procurement		(123.924)	(177.589)	(185.492)	(196.820)	(171.323)						(855.148)
Net Procurement(=P-1)		874.952	1,050.260	1,521.041	1,459.277	1,227.035						6,132.565
Advance Procurement												
For FY07	123.924											123.924
For FY08	2.630	174.959										177.589
For FY09	2.600	19.799	163.093									185.492
For FY10	1.700	8.841	14.787	171.492								196.820
For FY11	1.600	6.689	10.380	6.382	146.272							171.323
Plus CY Adv Procurement	132.444	210.288	188.260	177.874	146.272							855.138
Contract Price	132.444	1085.240	1238.520	1698.925	1605.539	1227.035						6,987.703
Multiyear Savings(\$)	0.000	(36.656)	102.855	108.790	127.342	103.969						406.300
Multiyear Savings (%) (total only)												5.49%
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	28.120	271.175	764.023	1,229.381	1,542.633	1,584.570	1,171.791	514.443	164.688	85.337	37.842	7,394.003
Multiyear	28.120	277.400	762.606	1,167.889	1,446.019	1,476.736	1,086.766	476.016	152.623	78.732	34.796	6,987.703
Savings	0.000	(6.235)	1.427	61.472	96.624	107.834	85.025	38.437	12.065	6.605	3.046	406.300
Remarks: See remarks on individual service submissions.												

Exhibit MYP-3 Contract Funding Plan					Date: February, 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature							
Aircraft Procurement Army (P1100)					Army UH-60M MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		38	51	75	64	45						273
Annual Procurement												
Gross Cost		480.753	684.246	1,009.138	927.331	656.135						3,757.603
Less PY Adv Procurement		(36.974)	(38.505)	(57.814)	(50.371)	(36.161)						(219.825)
Net Procurement(=P-1)		443.779	645.741	951.324	876.960	619.974						3,537.778
Plus CY Adv Procurement	36.974	38.505	57.814	50.371	36.161							219.825
Contract Price	36.974	482.284	703.555	1,001.695	913.121	619.974						3,757.603
Multiyear Procurement												
Gross Cost (P-1)		443.976	639.119	952.463	873.907	611.598						3,521.063
Less PY Adv Procurement		(36.974)	(102.979)	(96.072)	(79.030)	(52.073)						(367.128)
Net Procurement(=P-1)		407.002	536.140	856.391	794.877	559.525						3,153.935
Advance Procurement												
For FY07	36.974											36.974
For FY08		102.979										102.979
For FY09		15.109	80.963									96.072
For FY10		5.051	6.017	67.962								79.030
For FY11		2.899	2.960	3.022	43.192							52.073
Plus CY Adv Procurement	36.974	126.038	89.940	70.984	43.192							367.128
Contract Price	36.974	533.040	626.080	927.375	838.069	559.525						3,521.063
Multiyear Savings(\$)		(50.756)	77.475	74.320	75.052	60.449						236.540
Multiyear Savings (%) (total only)												6.29%
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	6.830	106.705	367.783	627.401	827.843	824.340	589.241	241.563	96.638	49.197	20.062	3,757.603
Multiyear	6.830	116.080	377.656	587.819	764.579	758.426	539.046	219.256	88.413	44.852	18.106	3,521.063
Savings	0.000	(9.375)	(9.873)	39.582	63.264	65.914	50.195	22.307	8.225	4.345	1.956	236.540
Remarks:												
Quantities as represented in PB07 Budget												
Current UH-60M Budgets assume MYP strategy already, if no MYP then Annual Budget will need additional funding.												
All numbers are in millions.												

Exhibit MYP-3 Contract Funding Plan					Date: February, 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature							
Aircraft Procurement Navy/Airlift/Aircraft, (BA-2)					Navy MH-60S MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		18	20	26	26	26						116
Annual Procurement												
Gross Cost		268.430	306.610	404.390	417.260	428.670						1,825.370
Less PY Adv Procurement		(54.980)	(32.940)	(42.620)	(43.080)	(44.000)						(217.630)
Net Procurement(=P-1)		213.450	273.670	361.770	374.190	384.670						1,607.740
Plus CY Adv Procurement	54.980	32.940	42.620	43.080	44.000							217.630
Contract Price	54.980	246.390	316.290	404.850	418.190	384.670						1,825.370
Multiyear Procurement												
Gross Cost (P-1)		254.330	290.570	383.230	395.490	406.250						1,729.860
Less PY Adv Procurement		(46.460)	(31.250)	(40.390)	(40.780)	(41.640)						(200.520)
Net Procurement(=P-1)		207.870	259.320	342.840	354.710	364.610						1,529.350
Advance Procurement												
For FY07	46.460											46.460
For FY08	2.630	28.620										31.250
For FY09	2.600	2.890	34.900									40.390
For FY10	1.700	2.890	2.920	33.270								40.780
For FY11	1.600	2.890	2.920	1.560	32.670							41.640
Plus CY Adv Procurement	54.980	37.290	40.740	34.830	32.670							200.510
Contract Price	54.980	245.160	300.060	377.680	387.370	364.610						1,729.860
Multiyear Savings(\$)		1.230	16.230	27.170	30.820	20.060						95.510
Multiyear Savings (%) (total only)												5.23%
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	12.260	76.940	184.920	290.070	357.840	389.730	304.430	145.160	35.480	18.920	9.620	1,825.370
Multiyear	12.260	76.660	180.810	277.160	335.380	364.400	286.000	137.090	33.280	17.710	9.120	1,729.860
Savings	0.000	0.270	4.110	12.900	22.470	25.330	18.430	8.080	2.200	1.210	0.500	95.510
Remarks:												
Quantities as represented in PB07 Budget												
Current MH-60S Budgets assume MYP strategy already, if no MYP then Annual Budget will need additional funding.												
All numbers are in millions.												
Assumes concurrent production with MH-60R.												

Exhibit MYP-3 Contract Funding Plan					Date: February, 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature							
Aircraft Procurement Navy/Airlift/Aircraft, (BA-1)					Navy MH-60R MYP (Airframe)							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		25	25	31	32	31						144
Annual Procurement												
Gross Cost		313.430	310.910	386.690	403.230	396.770						1,811.030
Less PY Adv Procurement		(40.490)	(46.960)	(57.580)	(72.060)	(70.410)						(287.500)
Net Procurement(=P-1)		272.950	263.950	329.110	331.170	326.360						1,523.530
Plus CY Adv Procurement	40.490	46.960	57.580	72.060	70.410							287.500
Contract Price	40.490	319.910	321.530	401.170	401.580	326.360						1,811.030
Multiyear Procurement												
Gross Cost (P-1)		300.570	298.160	370.840	386.700	380.510						1,736.780
Less PY Adv Procurement		(40.490)	(43.360)	(49.030)	(77.010)	(77.610)						(287.500)
Net Procurement(=P-1)		260.080	254.800	321.810	309.690	302.900						1,449.280
Advance Procurement												
For FY07	40.490											40.490
For FY08		43.360										43.360
For FY09		1.800	47.230									49.030
For FY10		0.900	5.850	70.260								77.010
For FY11		0.900	4.500	1.800	70.410							77.610
Plus CY Adv Procurement	40.490	46.960	57.580	72.060	70.410							287.500
Contract Price	40.490	307.040	312.380	393.870	380.100	302.900						1,736.780
Multiyear Savings(\$)		12.870	9.150	7.300	21.470	23.460						74.250
Multiyear Savings (%) (total only)												4.10%
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	9.030	87.530	211.320	311.910	356.950	370.500	278.120	127.720	32.570	17.220	8.160	1,811.030
Multiyear	9.030	84.660	204.140	302.910	346.060	353.910	261.720	119.670	30.930	16.170	7.570	1,736.780
Savings	0.000	2.870	7.190	8.990	10.890	16.590	16.400	8.050	1.640	1.050	0.590	74.250
Remarks:												
Quantities as represented in PB07 Budget												
All numbers are in millions, except where noted.												
Assumes concurrency with MH-60S, UH-60L/M.												
All savings projections are assumed.												

Exhibit MYP-4 Present Value Analysis					Date: February 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature							
Aircraft Procurement Army/Aircraft Procurement Navy/Airlift/Aircraft					Army UH-60M BLACKHAWK(MYP)/Navy MH-60S MYP/Navy MH-60R MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Annual Proposal												
Then Year Cost	28.120	271.175	764.023	1229.381	1542.633	1584.570	1171.791	514.443	164.688	85.337	37.842	7394.003
Constant Year Cost	28.120	265.969	735.260	1160.021	1426.208	1436.105	1042.869	450.684	141.783	72.234	31.537	6790.790
Present Value	28.036	259.174	699.544	1079.771	1299.750	1283.457	912.987	386.362	117.418	58.476	25.067	6150.012
Multiyear Proposal												
Then Year Cost	28.120	277.400	762.606	1167.889	1446.019	1476.736	1086.766	476.016	152.623	78.732	34.796	6987.703
Constant Year Cost	28.120	272.071	733.892	1102.121	1336.942	1338.398	967.298	417.128	131.418	66.660	29.028	6423.066
Present Value	28.036	265.009	697.983	1025.923	1218.412	1196.268	847.148	357.830	108.866	53.973	23.095	5822.553
Difference												
Then Year Cost	0.000	(6.235)	1.427	61.472	96.624	107.834	85.025	38.437	12.065	6.605	3.046	406.300
Constant Year Cost	0.000	(6.102)	1.368	57.890	89.266	97.717	75.571	33.556	10.365	5.584	2.509	367.734
Present Value	0.000	(5.835)	1.551	53.848	81.328	87.179	65.839	28.532	8.552	4.493	1.982	327.459
Remarks: See remarks on individual service submissions.												

Exhibit MYP-4 Present Value Analysis					Date: February 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature							
Aircraft Procurement Army (P1100)					Army UH-60M BLACKHAWK(MYP)							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Annual Proposal												
Then Year Cost	6.830	106.705	367.783	627.401	827.843	824.340	589.241	241.563	96.638	49.197	20.062	3,757.603
Constant Year Cost	6.830	104.509	352.820	589.491	761.788	742.975	520.159	208.854	81.833	40.804	16.297	3,426.360
Present Value	6.746	100.674	331.474	540.151	680.810	647.577	442.187	173.182	66.178	32.186	12.537	3,033.702
Multiyear Proposal												
Then Year Cost	6.830	116.080	377.656	587.819	764.579	758.426	539.046	219.256	88.413	44.852	18.106	3,521.063
Constant Year Cost	6.830	113.691	362.292	552.301	703.572	683.568	475.848	189.568	74.868	37.200	14.708	3,214.446
Present Value	6.746	109.519	340.373	506.073	628.782	595.798	404.518	157.190	60.546	29.343	11.315	2,850.203
Difference												
Then Year Cost	0.000	(9.375)	(9.873)	39.582	63.264	65.914	50.195	22.307	8.225	4.345	1.956	236.540
Constant Year Cost	0.000	(9.182)	(9.472)	37.190	58.216	59.407	44.311	19.286	6.965	3.604	1.589	211.914
Present Value	0.000	(8.845)	(8.899)	34.078	52.028	51.779	37.669	15.992	5.632	2.843	1.222	183.499
Remarks: Constant Year Dollars are Fiscal Year 2006. Inflation factors and outlay rates reflect January, 2006 OSD projections. Discount rate of 2.53% was applied to the constant dollar outlays, and assumes uniform outlays throughout the fiscal year (midyear factors).												

Exhibit MYP-4 Present Value Analysis					Date: February 2006							
Appropriation/Budget Activity					P-1 Line Item Nomenclature							
Aircraft Procurement Navy/Airlift/Aircraft, (BA-2)					Navy MH-60S MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Annual Proposal												
Then Year Cost	12.260	76.940	184.920	290.070	357.840	389.730	304.430	145.160	35.480	18.920	9.620	1825.370
Constant Year Cost	12.260	75.780	179.910	277.780	336.410	359.910	277.960	131.850	32.510	17.230	8.660	1710.260
Present Value	12.260	74.990	175.670	268.570	322.930	342.790	260.980	121.290	28.890	15.020	7.440	1630.820
Multiyear Proposal												
Then Year Cost	12.260	76.660	180.810	277.160	335.380	364.400	286.000	137.090	33.280	17.710	9.120	1729.860
Constant Year Cost	12.260	75.510	175.960	265.520	315.360	336.530	261.130	124.510	30.490	16.130	8.210	1621.600
Present Value	12.260	74.720	171.760	256.620	302.650	320.510	245.180	114.540	27.100	14.050	7.050	1546.450
Difference												
Then Year Cost	0.000	0.270	4.110	12.900	22.470	25.330	18.430	8.080	2.200	1.210	0.500	95.510
Constant Year Cost	0.000	0.270	3.950	12.260	21.050	23.390	16.830	7.340	2.020	1.110	0.450	88.670
Present Value	0.000	0.270	3.910	11.950	20.270	22.280	15.800	6.750	1.790	0.960	0.390	84.370
Remarks:												
Quantities as represented in PB07 Budget.												
All numbers are in millions.												
Assumes concurrent production with MH-60R.												

Exhibit MYP-4 Present Value Analysis					Date: February 2006							
Appropriation/Budget Activity					P-1 Line Item Nomenclature							
Aircraft Procurement Navy/Airlift/Aircraft, (BA-1)					Navy MH-60R MYP (Airframe)							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Annual Proposal												
Then Year Cost	9.030	87.530	211.320	311.910	356.950	370.500	278.120	127.720	32.570	17.220	8.160	1811.030
Constant Year Cost	9.030	85.680	202.530	292.750	328.010	333.220	244.750	109.980	27.440	14.200	6.580	1654.170
Present Value	9.030	83.510	192.400	271.050	296.010	293.090	209.820	91.890	22.350	11.270	5.090	1485.490
Multiyear Proposal												
Then Year Cost	9.030	84.660	204.140	302.910	346.060	353.910	261.720	119.670	30.930	16.170	7.570	1736.780
Constant Year Cost	9.030	82.870	195.640	284.300	318.010	318.300	230.320	103.050	26.060	13.330	6.110	1587.020
Present Value	9.030	80.770	185.850	263.230	286.980	279.960	197.450	86.100	21.220	10.580	4.730	1425.900
Difference												
Then Year Cost	0.000	2.870	7.190	8.990	10.890	16.590	16.400	8.050	1.640	1.050	0.590	74.250
Constant Year Cost	0.000	2.810	6.890	8.440	10.000	14.920	14.430	6.930	1.380	0.870	0.470	67.150
Present Value	0.000	2.740	6.540	7.820	9.030	13.120	12.370	5.790	1.130	0.690	0.370	59.590
Remarks:												
Quantities as represented in PB07 Budget.												
All numbers are in millions, except where noted.												
All savings projections are assumed.												

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET P-40								DATE: Feb 2006				
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1 Program Element for Code B Items: 0204453N							P-1 ITEM NOMENCLATURE MH-60S Advance Procurement (MYP) Other Related Program Elements None					
	Prior Years	ID Code		FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total
COST (In Millions)	\$409.136	A		\$104.545	\$124.136	\$90.401	\$113.703	\$120.241	\$120.567	\$89.174	\$91.449	\$1,263.352
<p><u>MISSION AND DESCRIPTION:</u> The Helicopter Combat Support (HC) mission of the MH 60S is to maintain forward deployed fleet sustainability through rapid airborne delivery of materials and personnel and to support amphibious operations through search and rescue coverage. The primary roles of the aircraft are to conduct vertical replenishment (VERTREP), day/night ship-to-ship, ship-to-shore, and shore-to-ship external transfer of cargo; internal transport of passengers, mail and cargo, vertical onboard delivery (VOD); airhead operations, and day/night search and rescue (SAR). The aircraft secondary roles include torpedo and drone recovery, noncombatant evacuation operations (NEO), SEAL and UDT support.</p> <p><u>BASIS FOR FY 2007 BUDGET REQUEST:</u> FY 2007 advance procurement funds are requested for procurement of FY08 long lead engines, common cockpits, misc. other avionics, and economic order quantity (EOQ) / termination liability for the airframe in support of the MH-60S portion of a joint Army-Navy 5 year (FY 2007 - FY 2011) Multiyear Procurement contract for the UH-60M Blackhawk, MH-60S Seahawk, and MH-60R Romeo aircraft. The common cockpits for the MH-60R and MH-60S are being procured under a Multiyear Procurement (MYP) contract (FY 2005 - FY 2008), with an option year in FY 2009. The Common Cockpit MYP funding reflects applicable EOQ requirements.</p>												
<p>Note: Amounts may be off due to rounding.</p>												

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)						Date: Feb 2006						
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/Combat Aircraft (BA-1)						P-1 Line Item Nomenclature MH-60S Advance Procurement (MYP)						
Weapon System MH-60S VERTREP (MYP)				First System (BY1) Award Date Dec-03				Interval Between Systems Monthly				
(\$ in Millions)												
	PLT	When Rqd	Prior Years	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	To Complete	Total
End Item Qty			93	26	18	20	26	26	26	18	18	271
CFE - Airframe (TL)	19	24	43.664							31.052	31.970	106.686
EOQ/Long Lead												
FY 2003			19.653									19.653
FY-2004			24.990									24.990
FY 2005			34.148									34.148
FY 2006			3.782	33.300								37.082
FY 2007					46.456							46.456
FY 2008					2.632	28.621						31.253
FY 2009					2.600	2.887	34.900					40.387
FY 2010					1.698	2.890	2.920	33.270				40.778
FY 2011					1.597	2.890	2.921	1.563	32.667			41.638
Total EOQ/Long Lead			82.573	33.300	54.982	37.288	40.741	34.833	32.667			316.384
GFE - Engine/APU	12	4	97.684	34.182	41.487	28.043	37.222	38.003	38.801	27.427	28.003	370.852
GFE - Cockpit	16	4	120.990									120.990
EOQ/Long Lead	15	4						28.196	29.488	16.836	17.263	91.783
FY 2005			32.086									32.086
FY 2006				18.711								18.711
FY 2007				1.358	16.459							17.817
FY 2008				0.522	1.667	11.561						13.750
FY 2009							17.487					17.487
Total EOQ/Long Lead			32.086	20.591	18.126	11.561	17.487	28.196	29.488	16.836	17.263	191.634
GFE - A/C Misc Avn	Var	Var	32.139	16.472	9.541	13.509	18.253	19.209	19.611	13.859	14.213	156.806
Total AP			409.136	104.545	124.136	90.401	113.703	120.241	120.567	89.174	91.449	1263.352
Description: Airframes, engines, common cockpit, and misc. other avionics requirements reflect funding requirements for procurement of long lead parts and materials necessary to maintain the MH-60S delivery schedule. CFE - Airframe (TL) is directly related to the end item quantity. Airframe multi-year funding reflects applicable EOQ requirements. GFE - Engines is directly related to the number of units delivered in the first 9 months of the aircraft delivery schedule (P-21). GFE - Cockpit for FY-05 through FY-09 reflects the multi-year procurement contract and includes applicable EOQ requirements.												

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)							Date: Feb 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/Combat Aircraft (BA-1)					Weapon System MH-60S VERTREP (MYP)		P-1 Line Item Nomenclature MH-60S Advance Procurement (MYP)		
(TOA, \$ in Millions)									
	PLT	QPA	Unit Cost	FY 2006 for FY 2007 Qty	FY 2006 Contract Forecast Date	FY 2006 Total Cost Request	FY 2007 for FY 2008 Qty	FY 2007Contract Forecast Date	FY 2007 Total Cost Request
End Item				18			20		
CFE - Airframe (TL)	19	1			Jan-06	55.0		Dec-06	37.3
GFE - Engine/APU	12	2	0.6	36	Mar-06	41.5	40	Mar-07	28.0
GFE - A/C Common Cockpit	15	1	1.8		Jan-06	18.1		Dec-06	11.6
GFE - A/C Misc Avn	Var	Var	Var	Var	Var	9.5	Var	Var	13.5
	</								

BUDGET ITEM JUSTIFICATION SHEET

P-40

DATE:

February 2006

APPROPRIATION/BUDGET ACTIVITY
AIRCRAFT PROCUREMENT,NAVY/BA 1

P-1 ITEM NOMENCLATURE
MH-60R (MYP)

Program Element for Code B Items:
P.E. 0204243N

Other Related Program Elements
P.E. 0604216N Multi-Mission Helicopter Upgrade Development

	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	9	B	6	12	25	25	31	32	31	81	252
Net P-1 Cost (\$M)	669.398		289.682	433.408	795.262	798.192	978.568	1,033.782	1,042.953	2,506.808	8,548.052
Advance Proc (\$M)	68.583		69.704	117.598	120.480	152.872	165.912	164.334	162.669	253.985	1,276.138
WPN Sys Cost (\$M)	737.981		359.386	551.006	915.742	951.064	1,144.480	1,198.116	1,205.622	2,760.793	9,824.190
Initial Spares (\$M)	30.262		58.979	77.069	22.576	1.078	1.795	.507	.535		192.801
Proc Cost (\$M)	768.243		418.365	628.075	938.318	952.142	1,146.275	1,198.623	1,206.157	2,760.793	1,018.041
Unit Cost (\$M)	85.360		69.728	52.340	37.533	38.086	36.977	37.457	38.908	34.084	39.754

Description:

Mission Description: The MH-60R Multi-Mission Helicopter provides battle group protection and adds significant capability in coastal littorals and regional conflicts. The MH-60R Multi-Mission Helicopter represents a significant avionics improvement to the H-60 series helicopters by enhancing primary areas of Undersea Warfare (USW) and Surface Warfare (SUW). Airborne Low Frequency Sonar (ALFS) will be added to enhance the existing acoustic suite. An added Multi-Mode Radar (MMR) includes an Inverse Synthetic Aperture Radar Mode (ISAR) (permits stand-off classification of hostile threats). An improved Electronics Surveillance system (ESM) will enable passive detection and targeting of radar sources not currently detectable.

Basis for Request: This request funds the procurement of 25 aircraft in FY07 and associated support. The common cockpits for the MH-60R and MH-60S will be procured under a Multiyear Procurement (MYP) contract (FY2005-FY2008), with an option year in FY2009. This budget reflects a request a Airframe and Missions System multi-year procurement.

Exhibit P-5 Cost Analysis		Weapon System MH-60R (MYP)					DATE: February 2006		
APPROPRIATION/BUDGET ACTIVITY		ID Code		P-1 ITEM NOMENCLATURE					
AIRCRAFT PROCUREMENT,NAVY/BA 1		B		MH-60R (MYP)					
			Dollars in Thousands						
Cost	Element of Cost	Prior Years	FY 2005		FY 2006		FY 2007		
		QTY: 9	QTY:	6	QTY:	12	QTY:	25	
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	
1	AIRFRAME/CFE	306,466.301	12,833.333	77,000.000	12,089.583	145,074.995	12,022.665	300,566.619	
2	CFE ELECTRONICS		12,312.298	73,873.790	9,395.407	112,744.886	8,604.188	215,104.692	
3	GFE ELECTRONICS	30,256.495	2,387.756	14,326.533	3,175.823	38,109.880	3,241.369	81,034.219	
4	ENGINES / ENGINE ACC	4,653.584	1,162.544	6,975.264	1,290.598	15,487.182	1,336.861	33,421.524	
5	ARMAMENT								
6	INSTRUMENTS								
7	OTHER GFE		1,517.667	9,106.000	2,191.296	26,295.557	2,222.356	55,558.897	
8	REC FLYAWAY ECO	1,700.000	855.811	5,134.865	939.188	11,270.253	825.074	20,626.852	
9	Rec Flyaway Cost	343,076.380	31,069.409	186,416.452	29,081.896	348,982.753	28,252.512	706,312.803	
10	NON-RECURRING	151,186.642		34,053.820		4,115.326		7,383.114	
11	ANCILLARY EQUIPMENT	32,645.996		13,878.348		22,400.001		44,800.001	
12	MISCELLANEOUS								
13	Total Flyaway Cost	526,909.018	39,058.103	234,348.620	31,291.507	375,498.080	30,339.837	758,495.918	
14	AIRFRAME PGSE					10,098.000		8,118.000	
15	ENGINE PGSE					405.000		315.000	
16	AVIONICS PGSE	10,615.498		11,625.592		27,823.302		28,191.107	
17	PEC TRNG EQ	71,419.836		27,285.447		32,369.132		51,945.305	
18	PUBS / TECH DATA	3,112.430		585.915		6,179.934		6,299.781	
19	OTHER ILS	20,453.173		5,908.575		4,992.036		4,748.587	
20	FACILITIES MANAGEMENT	56,115.073		17,566.093		13,593.268		16,769.721	
21	FIELD ACTIVITIES								
22	PRODUCTION ENG SUPPORT	13,006.780		28,704.468		31,091.248		36,970.581	
23	MISCELLANEOUS SUPPORT								
24	Support Cost	174,722.790		91,676.090		126,551.920		153,358.082	
25	Gross P-1 Cost	701,638.295		326,024.710		502,050.000		911,854.000	
26	Adv Proc Credit	-32,240.745		-36,342.710		-68,642.043		-116,591.864	
27	Net P-1 Cost	669,397.550		289,682.000		433,407.957		795,262.136	
28	Adv Proc CY	68,583.455		69,704.000		117,598.000		120,480.000	
29	Weapon System Cost	737,981.005		359,386.000		551,005.957		915,742.136	
30	Initial Spares	30,262.000		58,979.000		77,069.000		22,576.000	
31	Procurement Cost	768,243.005		418,365.000		628,074.957		938,318.136	

Note: In FY2005 - 2011 funding for Production Eng Support reflects Sikorsky and Lockheed Martin Production Support that was budgeted as Airframe/CFE in previous budget submissions. In FY2005 - 2011 funding for CFE Electronics reflects Lockheed Martin Mission Avionics and Common Cockpit Production that was budgeted as Airframe/CFE in previous budget submissions. In FY2006 - 2011 funding for Airframe PGSE and Engine PGSE was budgeted as Avionics PGSE in previous budget submissions. In FY2006 - 2011 funding for Other GFE was budgeted as GFE Electronics in previous budget submissions.

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)						Weapon System MH-60R (MYP)		A. DATE February 2006			
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE					SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 1					MH-60R					U1SH	
P-5A AIRFRAME/CFE											
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available	
AIRFRAME/CFE											
FY 2005 Reg.	6	12,833	NAVAIR	Sep-04	SS-FFP	SIKORSKY AIRCRAFT CORPORATION, STRATFORD, CT	Aug-05	Apr-06	YES	N/A	
FY 05 Advance Procurement for FY 06	N/A	N/A	NAVAIR	Sep-04	SS-FFP	SIKORSKY AIRCRAFT CORPORATION, STRATFORD, CT	May 05		YES	N/A	
FY 2006 Reg.	12	12,090	NAVAIR	Sep-05	SS-FFP	SIKORSKY AIRCRAFT CORPORATION, STRATFORD, CT	Mar-06	Feb-07	YES	N/A	
FY 06 Advance Procurement for FY 07	N/A	N/A	NAVAIR	Sep-05	SS-FFP	SIKORSKY AIRCRAFT CORPORATION, STRATFORD, CT	Mar-06		YES	N/A	
FY 2007 Reg.	25	12,023	NAVAIR	Sep-06	SS-FFP	SIKORSKY AIRCRAFT CORPORATION, STRATFORD, CT	Mar-07	Feb-08	YES	N/A	
FY 07 Advance Procurement for FY 08	N/A	N/A	NAVAIR	Sep-06	SS-FFP	SIKORSKY AIRCRAFT CORPORATION, STRATFORD, CT	Mar-07		YES	N/A	
D. Remarks:											

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System MH-60R (MYP)			A. DATE February 2006		
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE				SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 1					MH-60R				U1SH	
P-5A ENGINES / ENGINE ACC										
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available
ENGINES										
FY 2005	12	581	ARMY	May-02	SS-FFP	GENERAL ELECTRIC CO, LYNN,MA	Feb-05	Oct-05	YES	N/A
FY 2006	24	645	ARMY	May-02	SS-FFP	GENERAL ELECTRIC CO, LYNN,MA	Feb-06	Aug-06	YES	N/A
FY 2007	50	659	ARMY	May-02	SS-FFP	GENERAL ELECTRIC CO, LYNN,MA	Nov-06	Aug-07	YES	N/A
D. Remarks:										
The engines for the MH60R will be procured utilizing an existing Army MYP contract.										

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System MH-60R (MYP)		A. DATE February 2006			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA 1					C. P-1 ITEM NOMENCLATURE MH-60R				SUBHEAD U1SH	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>CFE/Electronics (Common Cockpit)</u>										
FY2005 Reg.	6	1,796	NAVAIR	AUG 03	SS/MYP	Lockheed Martin-Owego, NY	Dec-04	Oct-06	YES	N/A
FY2005 AP for FY2006	N/A	N/A	NAVAIR	AUG 03	SS/MYP	Lockheed Martin-Owego, NY	Dec-04		YES	N/A
FY2006 Reg.	12	1,796	NAVAIR	AUG 03	SS/MYP	Lockheed Martin-Owego, NY	Jan-06	Aug-07	YES	N/A
FY2006 AP for FY2007	N/A	N/A	NAVAIR	AUG 03	SS/MYP	Lockheed Martin-Owego, NY	Jan-06		YES	N/A
FY2007 Reg.	25	1,796	NAVAIR	AUG 03	SS/MYP	Lockheed Martin-Owego, NY	Jan-07	Aug-08	YES	N/A
FY2007 AP for FY2008	N/A	N/A	NAVAIR	AUG 03	SS/MYP	Lockheed Martin-Owego, NY	Jan-07		YES	N/A
<u>CFE/Electronics (Mission Avionics)</u>										
FY2005 Reg.	6	10,516	NAVAIR	Sep-04	SS-FPI	Lockheed Martin-Owego, NY	Jun-05	Oct-06	YES	N/A
FY2005 AP for FY2006	N/A	N/A	NAVAIR	Sep-04	SS-FPI	Lockheed Martin-Owego, NY	May-05		YES	N/A
FY2006 Reg.	12	7,599	NAVAIR	Sep-05	SS-FPI	Lockheed Martin-Owego, NY	Mar-06	Aug-07	YES	N/A
FY2006 AP for FY2007	N/A	N/A	NAVAIR	Sep-05	SS-FPI	Lockheed Martin-Owego, NY	Mar-06		YES	N/A
FY2007 Reg.	25	7,013	NAVAIR	Sep-06	SS-FPI	Lockheed Martin-Owego, NY	Mar-07	Aug-08	YES	N/A
FY2007 AP for FY2008	N/A	N/A	NAVAIR	Sep-06	SS-FPI	Lockheed Martin-Owego, NY	Mar-07		YES	N/A
D. REMARKS										

DD Form 2445, JUL 87	Previous editions are obsolete	P-1 SHOPPING LIST		
311 / 244		ITEM NO 12	PAGE 7	Exhibit P-21 Production Schedule

Note: The airframe is delivered from Sikorsky to Lockheed Martin (6) months prior, for the incorporation of the Avionics System. The dates in the delivery schedule reflect the month in which the airframe is delivered with full Avionics from Lockheed Martin to the government.

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Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

1. Multiyear Procurement Description:

This package represents the procurement of 273 UH-60M BLACK HAWK aircraft, 116 MH-60S SEAHAWK and 144 MH-60R aircraft on a five year airframe contract over the period FY07-11. Adding the production of MH-60R model aircraft to this contract, at a rate of 24-32 per year will further increase the economic benefits of this multi-year contract. These exhibits are submitted as an update to the PB06 submission, which has been approved by Congress, to reflect quantity changes within the FYDP. The Navy MH-60S aircraft are essentially the same configuration as those procured on the FY02-06 joint multiyear contract with the UH-60L BLACK HAWK. The Army UH-60M aircraft include the UH-60M baseline aircraft and the UH-60M Upgrade aircraft configuration. All requirements for these aircraft are funded in the FY07 President's Budget and will be included in the base contract quantity. In the event of a significant delay in either service's program, the multiyear contract will include mechanisms which will allow for the award of a single service multiyear contract, which can be converted to a multi-service multiyear contract at the Government's discretion. An update will be provided 30 days prior to the proposed contract award. The U.S. Army /Navy proposes the UH-60M BLACK HAWK/MH-60S SEAHAWK and the MH-60R helicopter system (airframe) as a multiyear contract for FY07-11 since it satisfies each of the elements of the criteria as indicated below:

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

2. Benefit to the Government:

a. Substantial Cost Avoidance:

(1) Based on a comparison of the estimated prices for five single year contracts to the estimated price for one five year multiyear for the UH-60M airframe over the period FY07-11, there is a cost avoidance of approximately \$236.5 million for multiyear contracting over single year contracting. Based on a comparison of estimated prices for five single year contracts to the estimated price for one five year multiyear for the MH-60S airframes over the period FY07-11, there is a cost avoidance of approximately \$95.5 million for the multiyear contracting for the MH-60S over single year contracting and there is a cost avoidance of approximately \$74.3 million for the multiyear contracting for the MH-60R over single year contracting. The current UH-60M, MH-60S and MH-60R budgets are based on a follow-on multiyear contract beginning in FY07.

(2) Where possible, alternate sources have been found for parts in order to encourage competition and reduce costs. Alternate suppliers are interested in providing bids and making significant investments only as a result of the long-term stability provided by the multiyear. Some components have minimum buy quantities, which may not be met under single year procurements, driving up unit costs as the total cost is artificially high. Multiyear procurement quantities will allow the prime contractor and subcontractors at all tiers to exceed minimum order quantities resulting in reduced costs for these components. Typically suppliers will provide price discounts to lock in business. Given a five year contract, suppliers will have greater total business and greater stability. Therefore, they will be capable of finding innovative processes and be able to justify capital investments

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

necessary to reduce costs. Some of these cost reductions will be passed on to the customer in the form of price reductions. In addition, to these types of process innovations and capital investments, competition is expected to be greater based on larger purchase volumes.

(3) Administrative costs are reduced since there is only one proposal, negotiation, and purchase order instead of a string of five single year procurement actions. These costs are reduced to the prime contractor, since they have only one contract to negotiate with the government vice five. Prime contractor costs will also be reduced, as subcontracts at all tiers will only be entered into once. Some suppliers include proposal preparation and negotiation as a direct charge to the purchase order; in these cases a dollar for dollar reduction will be realized as a result of the single proposal action. Additional administrative reduction is realized in production planning. Production line administrative processes will only be performed once, rather than five times under single year procurement, resulting in significant cost avoidance.

(4) The transition to a product development process based on electronic data is complete. Product data creation for new design is performed exclusively in a 3D CAD environment. Commitment to the constant improvement of the design technology is continuing under the Lean Digital Product Development project. New capabilities are being implemented of which many will be released during the new proposed multi year contract. These activities are part of a multi-million dollar project aimed at increasing engineering productivity by at least 25%, reducing the cost of quality, and enabling design collaboration with suppliers. Once again the business base created by the multiyear procurement justified the original investment and will be necessary for continued significant investment in this critical area.

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

(5) The prime contractor sets the standard for the vendors that support his contract commitments and as new processes and innovations are implemented at the prime facility, the vendors are encouraged to adopt those elements that enhance their performance. The stability of long term commitments supported by multiyear contracts provides the collateral required to support their financial investments.

(6) New training programs for first time subcontractors will be initiated on an as required basis, especially in the highly skilled trades areas. Existing training programs for Sikorsky and its major subcontractors will provide the ability to maintain a highly trained staff for a multiyear program, because it will allow a stable employment base.

(7) Use of Vendor Multiyear Contracts: Subcontractors are receiving purchase orders for the total quantity authorized for the prime contract.

b. Stability of Requirement: The UH-60M BLACK HAWK is one of the core aviation programs and is approved for procurement by the Army through FY11. The minimum need for the UH-60M BLACK HAWK is not expected to decrease during the contemplated contract period, as the requirement for over 1800 replacement aircraft will support a production line well into the 2020s. The Navy initiated its procurement of the MH-60S in FY99, with a requirement to buy an average of 20 aircraft per year for a total of 271 aircraft. The MH-60S SEAHAWK aircraft support U.S. Navy Helo Concept of Operations (CONOPS) and are approved for procurement by the Navy through FY11. The Navy's total MH-60S requirement is set forth in the Chief of Naval Operations approved Navy Helo CONOPS plan of 2002 and is a key component in the modernization and recapitalization of the Naval Helicopter force through 2020. The Navy initiated its new build procurement of MH-60R in FY04, with

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

a requirement to buy a total of 252 aircraft. The MH-60R aircraft supports U.S. Navy Helo CONOPS and are approved for procurement by the Navy through FY14. The Navy's total MH-60R requirement is set forth in the Chief of Naval Operations approved Navy Helo CONOPS plan dated 24 September 2002 and is a key component in the modernization and recapitalization of the Naval Helicopter force.

c. Stability of Funding: The funding for the UH-60M, MH-60S and MH-60R programs is stable. The Army has consistently included funding for the BLACK HAWK in all budget submissions. Congressional action has provided funds above the President's Budget for UH-60 aircraft in the current multiyear contract in each of the last five years. The Navy has consistently provided funding for the MH-60S program. The success of the prior six multiyear contracts for the UH-60A/L and the prior multiyear contract for MH-60S has provided the confidence in the programs to obtain full support by all levels of the budget process. The funding for MH-60R program is consistent with an Independent Cost Estimate which supports the MS III funding decision. MS III scheduled for 23 January 2006 supports entry into full rate production. The Navy and Congress has consistently supported and provided funding for the MH-60R program.

d. Stable Configuration: The UH-60 will be in the thirty-first year and the MH-60S will be in the sixth year of full-rate production in FY07 and will be produced in basically the same configurations that have been utilized over the prior thirty years and six years respectively. There have been configuration changes during that period to allow for changing mission requirements or to improve on the producibility or reliability of the system. Similar configuration changes will be included under this contract, including bringing the UH-60M aircraft to the upgraded UH-60M configuration. The MH-60R is the cornerstone of the CNO approved Helo CONOPS replacing the aging SH-60B and SH-6F helicopters. The MH-60R aircraft is a derivative of the SH-60B/F/H platforms. The

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

MH-60R program is currently in its third year of Low Rate Initial Production (LRIP) and will be in the second year of full-rate production in FY07. The proposed contract will procure three distinct service configurations—the Army UH-60M, the Navy MH-60S and the Navy MH-60R. Commonality between the three configurations is substantial.

e. Realistic Cost Estimate: The procurement cost estimate for the UH-60M/MH-60S/MH-60R program is realistic. The current procurement cost estimate is based on negotiated FY02-06 multiyear prices, UH-60M LRIP proposal data and UH-60M contract experience (36 months on contract). The third prototype aircraft under this contract is a new production UH-60M. The MH-60R procurement cost estimate is based on negotiated FY04-05 prices. The contract will be a Firm Fixed Price (FFP) contract with no unfunded cancellation ceiling.

f. National Security: As a principle element of the Defense Planning Guidance, the Department of the Navy developed its Transformation Roadmap. The Roadmap describes the key naval concepts, capabilities, initiatives, processes and programs that will guide the transformation efforts of the Navy. Naval transformation will support joint transformation by delivering new military capabilities that will greatly expand the sovereign options available to joint force commanders to project power, assure access, and protect and advance America's interests worldwide in the face of emergent threat technologies and strategies. One of these naval concepts is Sea Shield. Sea Shield permits the joint force to operate effectively despite adversary efforts to deny theater access to U.S. forces. It achieves these goals by exploiting global sea control to defeat area denial threats including aircraft, missiles, small littoral surface combatants, mines, and submarines. Concepts and capabilities are being developed to counter the threats from quiet diesel submarines operating near the coast and mines in and beyond the surf zone. Key components that will provide these capabilities are the MH-60 Seahawk aircraft. Section III of the Defense

Exhibit MYP-1, Multiyear Procurement CriteriaProgram: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

Planning Guidance, FY 1999-2003, dated 2 July 1997, states that readiness and sustainability remain the top priorities of the Department of Defense. A flexible vertical replenishment at-sea capability is vital to these objectives.

3. Breakout of Cost Avoidance: (Details are contained in MYP2-4)

	<u>\$ in Millions</u>	<u>\$ in Millions</u>
	Army	Navy
Inflation	\$24.6	\$8.1
Vendor Procurement	\$159.6	\$68.6
Manufacturing	\$25.1	\$84.8
Other	\$27.2	\$8.3
Total	\$236.5	\$169.8

4. Advantages of the MYP: A Multi-service multiyear contract results in a significant cost avoidance (\$406.3M) over a single year approach, eliminates duplicative project management costs, maintains the capability to produce additional aircraft to meet the needs of mobilization and FMS sales, and maintains an industrial base necessary to meet the production requirements of current and future helicopter systems.

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

5. Impact on Industrial Base:

Implementation of this proposed MYP will yield a favorable impact on the industrial base. The stability afforded by the use of a multiyear procurement will allow the prime contractor to enter into long term agreements with suppliers, at every tier, which provide substantial cost avoidance.

Significant competition at the subcontractor level is expected as a result of the proposed five year FY07-11 airframe multiyear contracting strategy. Competitive bids are expected to be at an annual rate of approximately 45 percent. Every opportunity to encourage dual sourcing at the subcontractor level will be pursued. The first tier subcontractor plan will be structured to encourage competition at the second tier supplier level, indicating full utilization of small and disadvantaged businesses. While significant supplier downsizing and consolidation have occurred due to a general reduction in spending, multiyear contracting will produce acceptable supplier pricing due to the stable business base.

Production Capacity: Present tooling can produce approximately 17 aircraft per month by the prime contractor. This capacity is more than adequate to accommodate the FY07-11 airframe multiyear contract requirements.

Exhibit MYP-1, Multiyear Procurement CriteriaProgram: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME6. Multiyear Procurement Summary:

Army	<u>ANNUAL CONTRACTS</u>	<u>MYP ALTERNATIVE</u>
Quantity	273	273
Total Contract Price	\$3,757.6M	\$3,521.1M
Cancellation Ceiling	\$0.0	\$0.0
\$ Cost Avoidance Over Annual		\$236.5M
% Cost Avoidance Over Annual		6.3%
Navy (MH-60S)	<u>ANNUAL CONTRACTS</u>	<u>MYP ALTERNATIVE</u>
Quantity	116	116
Total Contract Price	\$1,825.4M	\$1,729.9M
Cancellation Ceiling	\$0.0	\$0.0
\$ Cost Avoidance Over Annual		\$95.5M
% Cost Avoidance Over Annual		5.2%

Exhibit MYP-1, Multiyear Procurement Criteria

Program: UH-60M BLACK HAWK/MH-60S SEAHAWK/MH-60R AIRFRAME

Navy (MH-60R)	<u>ANNUAL CONTRACTS</u>	<u>MYP ALTERNATIVE</u>
Quantity	144	144
Total Contract Price	\$1,811.0M	\$1,736.7M
Cancellation Ceiling	\$0.0	\$0.0
\$ Cost Avoidance Over Annual		\$74.2M
% Cost Avoidance Over Annual		4.1%

Note: Numbers may be off due to rounding.

Exhibit MYP-2 Program Funding Plan					Date: February, 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature:							
Aircraft Procurement Army/Aircraft Procurement Navy/Airlift/Aircraft					Army UH-60M BLACKHAWK(MYP)/Navy MH-60S MYP/Navy MH-60R MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity												
Annual Procurement												
Gross Cost		2,181.599	2,362.587	3,160.720	3,140.713	2,884.533						13,730.152
Less PY Adv Procurement		(318.411)	(304.712)	(412.347)	(445.601)	(410.999)						(1,892.080)
Net Procurement(=P-1)		1,863.188	2,057.885	2,748.373	2,695.112	2,473.524						11,838.072
Advance Procurement												
For FY07	316.331											
For FY08	3.400	300.452										
For FY09			410.147									
For FY10				437.351								
For FY11					402.199							
Plus CY Adv Procurement	319.731	304.852	422.797	439.551	402.199							1,889.140
Weapon System Cost	319.731	2,168.040	2,480.692	3,187.924	3,097.311	2,473.524						13,727.212
Multiyear Procurement												
Gross Cost (P-1)		2,117.852	2,288.670	3,067.035	3,048.979	2,801.306						13,323.842
Less PY Adv Procurement		(309.881)	(363.896)	(439.825)	(476.920)	(431.751)						(2,022.273)
Net Procurement(=P-1)		1,807.971	1,924.784	2,627.210	2,572.069	2,369.555						11,301.579
Advance Procurement												
For FY07	307.801											307.801
For FY08	6.030	356.996										363.026
For FY09	2.600	21.999	415.226									439.825
For FY10	1.700	9.941	21.937	443.342								476.920
For FY11	1.600	7.789	15.880	8.582	397.900							431.751
Plus CY Adv Procurement	319.731	396.725	453.043	451.924	397.900							2,019.333
Weapon System Cost	319.731	2,204.696	2,377.827	3,079.134	2,969.969	2,369.555						13,320.902
Multiyear Savings(\$)		(36.656)	102.855	108.790	127.342	103.969						406.300
Multiyear Savings (%) (total only)												
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	68.307	590.930	1524.697	2315.731	2777.348	2859.893	2134.557	957.335	283.352	147.623	67.419	13,727.212
Multiyear	68.307	597.155	1523.270	2254.259	2680.744	2752.049	2049.532	918.908	271.287	141.018	64.373	13,320.902
Savings		(6.235)	1.427	61.472	96.624	107.834	85.025	38.437	12.065	6.605	3.046	406.300
Remarks: See remarks on individual service submissions.												

Exhibit MYP-2 Program Funding Plan					Date: February, 2006							
Appropriation/Budget Activity					P-1 Line Item Nomenclature:							
Aircraft Procurement Army (P1100)					Army UH-60M MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		38	51	75	64	45						273
Annual Procurement												
Gross Cost		669.319	858.907	1,262.920	1,182.933	864.923						4,839.002
Less PY Adv Procurement		(77.991)	(98.312)	(154.347)	(145.161)	(105.969)						(581.780)
Net Procurement(=P-1)		591.328	760.595	1,108.573	1,037.772	758.954						4,257.222
Advance Procurement												
For FY07	77.991											
For FY08		98.312										
For FY09			154.347									
For FY10				145.161								
For FY11					105.969							
Plus CY Adv Procurement	77.991	98.312	154.347	145.161	105.969							581.780
Weapon System Cost	77.991	689.640	914.942	1,253.734	1,143.741	758.954						4,839.002
Multiyear Procurement												
Gross Cost (P-1)		632.542	813.780	1,206.245	1,129.509	820.386						4,602.462
Less PY Adv Procurement		(77.991)	(162.786)	(192.605)	(173.820)	(121.881)						(729.083)
Net Procurement(=P-1)		554.551	650.994	1,013.640	955.689	698.505						3,873.379
Advance Procurement												
For FY07	77.991											77.991
For FY08		162.786										162.786
For FY09		15.109	177.496									192.605
For FY10		5.051	6.017	162.752								173.820
For FY11		2.899	2.960	3.022	113.000							121.881
Plus CY Adv Procurement	77.991	185.845	186.473	165.774	113.000							729.083
Weapon System Cost	77.991	740.396	837.467	1,179.414	1,068.689	698.505						4,602.462
Multiyear Savings(\$)		(50.756)	77.475	74.320	75.052	60.449						236.540
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	14.407	164.550	514.557	822.181	1049.688	1034.733	733.457	299.795	120.012	61.063	24.559	4,839.002
Multiyear	14.407	173.925	524.430	782.599	986.424	968.819	683.262	277.488	111.787	56.718	22.603	4,602.462
Savings		(9.375)	(9.873)	39.582	63.264	65.914	50.195	22.307	8.225	4.345	1.956	236.540
Remarks:												
Quantities as represented in PB07 Budget.												
Current UH-60M Budgets assume MYP strategy already, if no MYP then Annual Budget will need additional funding.												
All numbers are in millions.												

Exhibit MYP-2 Program Funding Plan					Date: February, 2006							
Appropriation/Budget Activity					P-1 Line Item Nomenclature:							
Aircraft Procurement Navy/Airlift/Aircraft, (BA-2)					Navy MH-60S MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		18	20	26	26	26						116
Annual Procurement												
Gross Cost		587.560	578.190	769.510	730.560	780.060						3,445.880
Less PY Adv Procurement		(123.830)	(88.250)	(115.580)	(128.480)	(131.900)						(588.040)
Net Procurement(=P-1)		463.730	489.950	653.930	602.080	648.160						2,857.840
Advance Procurement												
For FY07	122.470											
For FY08	1.670	86.060										
For FY09			115.580									
For FY10				128.480								
For FY11					131.900							
Plus CY Adv Procurement	124.140	86.060	115.580	128.480	131.900							586.160
Weapon System Cost	124.140	549.790	605.530	782.410	733.980	648.160						3,444.000
Multiyear Procurement												
Gross Cost (P-1)		573.460	562.150	748.350	708.780	757.630						3,350.370
Less PY Adv Procurement		(115.300)	(86.560)	(113.350)	(126.190)	(129.540)						(570.930)
Net Procurement(=P-1)		458.160	475.600	635.000	582.600	628.100						2,779.440
Advance Procurement												
For FY07	113.940											113.940
For FY08	4.300	81.730										86.030
For FY09	2.600	2.890	107.860									113.350
	1.700	2.890	2.920	118.680								126.190
	1.600	2.890	2.920	1.560	120.570							129.540
Plus CY Adv Procurement	124.140	90.400	113.700	120.240	120.570							569.050
Weapon System Cost	124.140	548.560	589.300	755.240	703.160	628.100						3,348.490
Multiyear Savings(\$)		1.230	16.230	27.170	30.820	20.060						95.510
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
	27.680	172.260	390.700	580.240	676.850	704.100	530.580	249.850	62.930	32.610	16.200	3,444.000
Multiyear	27.680	171.980	386.590	567.340	654.390	678.760	512.150	241.770	60.730	31.400	15.700	3,348.490
Savings		0.270	4.110	12.900	22.470	25.330	18.430	8.080	2.200	1.210	0.500	95.510
Remarks:												
Annual AP scenario includes CC MYP EOQ												
Quantities as represented in PB07 Budget.												
Current MH-60S Budgets assume MYP strategy already, if no MYP then Annual Budget will need additional funding.												
All numbers are in millions, except where noted.												
Assumes concurrent production with MH-60R.												

Exhibit MYP-2 Program Funding Plan					Date: February, 2006							
Appropriation/Budget Activity					P-1 Line Item Nomenclature:							
Aircraft Procurement Navy/Airlift/Aircraft, (BA-1)					Navy MH-60R MYP(Airframe)							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		25	25	31	32	31						144
Annual Procurement												
Gross Cost		924.720	925.490	1,128.290	1,227.220	1,239.550						5,445.270
Less PY Adv Procurement		(116.590)	(118.150)	(142.420)	(171.960)	(173.130)						(722.260)
Net Procurement(=P-1)		808.130	807.340	985.870	1,055.260	1,066.410						4,723.010
Advance Procurement												
For FY07	115.870											
For FY08	1.730	116.080										
For FY09		2.200	140.220									
For FY10		1.100	7.150	163.710								
For FY11		1.100	5.500	2.200	164.330							
Plus CY Adv Procurement	117.600	120.480	152.870	165.910	164.330							721.200
Weapon System Cost	117.600	928.610	960.220	1,151.780	1,219.590	1,066.410						5,444.210
Multiyear Procurement												
Gross Cost (P-1)		911.850	912.740	1,112.440	1,210.690	1,223.290						5,371.010
Less PY Adv Procurement		(116.590)	(114.550)	(133.870)	(176.910)	(180.330)						(722.260)
Net Procurement(=P-1)		795.260	798.190	978.570	1,033.780	1,042.950						4,648.760
Advance Procurement												
For FY07	115.870											115.870
For FY08	1.730	112.480										114.210
For FY09		4.000	129.870									133.870
For FY10		2.000	13.000	161.910								176.910
For FY11		2.000	10.000	4.000	164.330							180.330
Plus CY Adv Procurement	117.600	120.480	152.870	165.910	164.330							721.200
Weapon System Cost	117.600	915.740	951.060	1,144.480	1,198.120	1,042.950						5,369.950
Multiyear Savings(\$)		12.870	9.150	7.300	21.470	23.460						74.250
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	26.220	254.120	619.440	913.310	1050.810	1121.060	870.520	407.690	100.410	53.950	26.660	5,444.210
Multiyear	26.220	251.250	612.250	904.320	1039.930	1104.470	854.120	399.650	98.770	52.900	26.070	5,369.950
Savings		2.870	7.190	8.990	10.890	16.590	16.400	8.050	1.640	1.050	0.590	74.250
Remarks:												
Annual AP scenario includes Common Cockpit and Mission Systems MPY EOQ												
Quantities as represented in PB07 Budget.												
All numbers are in millions, except where noted.												
All savings projections are assumed.												

Exhibit MYP-3 Contract Funding Plan					Date: February, 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature							
Aircraft Procurement Army/Aircraft Procurement Navy/Airlift/Aircraft					Army UH-60M BLACKHAWK(MYP)/Navy MH-60S MYP/Navy MH-60R MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		81	96	132	122	102						533
Annual Procurement												
Gross Cost		1,062.613	1,301.766	1,800.218	1,747.821	1,481.575						7,394.003
Less PY Adv Procurement		(132.444)	(118.405)	(158.014)	(165.511)	(150.571)						(724.955)
Net Procurement(=P-1)		930.179	1,183.361	1,642.204	1,582.320	1,331.004						6,669.048
Plus CY Adv Procurement	132.444	118.405	158.014	165.511	150.571							724.955
Contract Price	132.444	1,048.584	1,341.375	1,807.715	1,732.891	1,331.004						7,394.003
Multiyear Procurement												
Gross Cost (P-1)		998.876	1,227.849	1,706.533	1,656.097	1,398.358						6,987.703
Less PY Adv Procurement		(123.924)	(177.589)	(185.492)	(196.820)	(171.323)						(855.148)
Net Procurement(=P-1)		874.952	1,050.260	1,521.041	1,459.277	1,227.035						6,132.565
Advance Procurement												
For FY07	123.924											123.924
For FY08	2.630	174.959										177.589
For FY09	2.600	19.799	163.093									185.492
For FY10	1.700	8.841	14.787	171.492								196.820
For FY11	1.600	6.689	10.380	6.382	146.272							171.323
Plus CY Adv Procurement	132.444	210.288	188.260	177.874	146.272							855.138
Contract Price	132.444	1085.240	1238.520	1698.925	1605.539	1227.035						6,987.703
Multiyear Savings(\$)	0.000	(36.656)	102.855	108.790	127.342	103.969						406.300
Multiyear Savings (%) (total only)												5.49%
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	28.120	271.175	764.023	1,229.381	1,542.633	1,584.570	1,171.791	514.443	164.688	85.337	37.842	7,394.003
Multiyear	28.120	277.400	762.606	1,167.889	1,446.019	1,476.736	1,086.766	476.016	152.623	78.732	34.796	6,987.703
Savings	0.000	(6.235)	1.427	61.472	96.624	107.834	85.025	38.437	12.065	6.605	3.046	406.300
Remarks: See remarks on individual service submissions.												

Exhibit MYP-3 Contract Funding Plan					Date: February, 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature							
Aircraft Procurement Army (P1100)					Army UH-60M MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		38	51	75	64	45						273
Annual Procurement												
Gross Cost		480.753	684.246	1,009.138	927.331	656.135						3,757.603
Less PY Adv Procurement		(36.974)	(38.505)	(57.814)	(50.371)	(36.161)						(219.825)
Net Procurement(=P-1)		443.779	645.741	951.324	876.960	619.974						3,537.778
Plus CY Adv Procurement	36.974	38.505	57.814	50.371	36.161							219.825
Contract Price	36.974	482.284	703.555	1,001.695	913.121	619.974						3,757.603
Multiyear Procurement												
Gross Cost (P-1)		443.976	639.119	952.463	873.907	611.598						3,521.063
Less PY Adv Procurement		(36.974)	(102.979)	(96.072)	(79.030)	(52.073)						(367.128)
Net Procurement(=P-1)		407.002	536.140	856.391	794.877	559.525						3,153.935
Advance Procurement												
For FY07	36.974											36.974
For FY08		102.979										102.979
For FY09		15.109	80.963									96.072
For FY10		5.051	6.017	67.962								79.030
For FY11		2.899	2.960	3.022	43.192							52.073
Plus CY Adv Procurement	36.974	126.038	89.940	70.984	43.192							367.128
Contract Price	36.974	533.040	626.080	927.375	838.069	559.525						3,521.063
Multiyear Savings(\$)		(50.756)	77.475	74.320	75.052	60.449						236.540
Multiyear Savings (%) (total only)												6.29%
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	6.830	106.705	367.783	627.401	827.843	824.340	589.241	241.563	96.638	49.197	20.062	3,757.603
Multiyear	6.830	116.080	377.656	587.819	764.579	758.426	539.046	219.256	88.413	44.852	18.106	3,521.063
Savings	0.000	(9.375)	(9.873)	39.582	63.264	65.914	50.195	22.307	8.225	4.345	1.956	236.540
Remarks:												
Quantities as represented in PB07 Budget												
Current UH-60M Budgets assume MYP strategy already, if no MYP then Annual Budget will need additional funding.												
All numbers are in millions.												

Exhibit MYP-3 Contract Funding Plan					Date: February, 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature							
Aircraft Procurement Navy/Airlift/Aircraft, (BA-2)					Navy MH-60S MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		18	20	26	26	26						116
Annual Procurement												
Gross Cost		268.430	306.610	404.390	417.260	428.670						1,825.370
Less PY Adv Procurement		(54.980)	(32.940)	(42.620)	(43.080)	(44.000)						(217.630)
Net Procurement(=P-1)		213.450	273.670	361.770	374.190	384.670						1,607.740
Plus CY Adv Procurement	54.980	32.940	42.620	43.080	44.000							217.630
Contract Price	54.980	246.390	316.290	404.850	418.190	384.670						1,825.370
Multiyear Procurement												
Gross Cost (P-1)		254.330	290.570	383.230	395.490	406.250						1,729.860
Less PY Adv Procurement		(46.460)	(31.250)	(40.390)	(40.780)	(41.640)						(200.520)
Net Procurement(=P-1)		207.870	259.320	342.840	354.710	364.610						1,529.350
Advance Procurement												
For FY07	46.460											46.460
For FY08	2.630	28.620										31.250
For FY09	2.600	2.890	34.900									40.390
For FY10	1.700	2.890	2.920	33.270								40.780
For FY11	1.600	2.890	2.920	1.560	32.670							41.640
Plus CY Adv Procurement	54.980	37.290	40.740	34.830	32.670							200.510
Contract Price	54.980	245.160	300.060	377.680	387.370	364.610						1,729.860
Multiyear Savings(\$)		1.230	16.230	27.170	30.820	20.060						95.510
Multiyear Savings (%) (total only)												5.23%
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	12.260	76.940	184.920	290.070	357.840	389.730	304.430	145.160	35.480	18.920	9.620	1,825.370
Multiyear	12.260	76.660	180.810	277.160	335.380	364.400	286.000	137.090	33.280	17.710	9.120	1,729.860
Savings	0.000	0.270	4.110	12.900	22.470	25.330	18.430	8.080	2.200	1.210	0.500	95.510
Remarks:												
Quantities as represented in PB07 Budget												
Current MH-60S Budgets assume MYP strategy already, if no MYP then Annual Budget will need additional funding.												
All numbers are in millions.												
Assumes concurrent production with MH-60R.												

Exhibit MYP-3 Contract Funding Plan					Date: February, 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature							
Aircraft Procurement Navy/Airlift/Aircraft, (BA-1)					Navy MH-60R MYP (Airframe)							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Procurement Quantity		25	25	31	32	31						144
Annual Procurement												
Gross Cost		313.430	310.910	386.690	403.230	396.770						1,811.030
Less PY Adv Procurement		(40.490)	(46.960)	(57.580)	(72.060)	(70.410)						(287.500)
Net Procurement(=P-1)		272.950	263.950	329.110	331.170	326.360						1,523.530
Plus CY Adv Procurement	40.490	46.960	57.580	72.060	70.410							287.500
Contract Price	40.490	319.910	321.530	401.170	401.580	326.360						1,811.030
Multiyear Procurement												
Gross Cost (P-1)		300.570	298.160	370.840	386.700	380.510						1,736.780
Less PY Adv Procurement		(40.490)	(43.360)	(49.030)	(77.010)	(77.610)						(287.500)
Net Procurement(=P-1)		260.080	254.800	321.810	309.690	302.900						1,449.280
Advance Procurement												
For FY07	40.490											40.490
For FY08		43.360										43.360
For FY09		1.800	47.230									49.030
For FY10		0.900	5.850	70.260								77.010
For FY11		0.900	4.500	1.800	70.410							77.610
Plus CY Adv Procurement	40.490	46.960	57.580	72.060	70.410							287.500
Contract Price	40.490	307.040	312.380	393.870	380.100	302.900						1,736.780
Multiyear Savings(\$)		12.870	9.150	7.300	21.470	23.460						74.250
Multiyear Savings (%) (total only)												4.10%
Cancellation Ceiling-Funded												
Cancellation Ceiling-Unfunded												
Outlays												
Annual	9.030	87.530	211.320	311.910	356.950	370.500	278.120	127.720	32.570	17.220	8.160	1,811.030
Multiyear	9.030	84.660	204.140	302.910	346.060	353.910	261.720	119.670	30.930	16.170	7.570	1,736.780
Savings	0.000	2.870	7.190	8.990	10.890	16.590	16.400	8.050	1.640	1.050	0.590	74.250
Remarks:												
Quantities as represented in PB07 Budget												
All numbers are in millions, except where noted.												
Assumes concurrency with MH-60S, UH-60L/M.												
All savings projections are assumed.												

Exhibit MYP-4 Present Value Analysis					Date: February 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature							
Aircraft Procurement Army/Aircraft Procurement Navy/Airlift/Aircraft					Army UH-60M BLACKHAWK(MYP)/Navy MH-60S MYP/Navy MH-60R MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Annual Proposal												
Then Year Cost	28.120	271.175	764.023	1229.381	1542.633	1584.570	1171.791	514.443	164.688	85.337	37.842	7394.003
Constant Year Cost	28.120	265.969	735.260	1160.021	1426.208	1436.105	1042.869	450.684	141.783	72.234	31.537	6790.790
Present Value	28.036	259.174	699.544	1079.771	1299.750	1283.457	912.987	386.362	117.418	58.476	25.067	6150.012
Multiyear Proposal												
Then Year Cost	28.120	277.400	762.606	1167.889	1446.019	1476.736	1086.766	476.016	152.623	78.732	34.796	6987.703
Constant Year Cost	28.120	272.071	733.892	1102.121	1336.942	1338.398	967.298	417.128	131.418	66.660	29.028	6423.066
Present Value	28.036	265.009	697.983	1025.923	1218.412	1196.268	847.148	357.830	108.866	53.973	23.095	5822.553
Difference												
Then Year Cost	0.000	(6.235)	1.427	61.472	96.624	107.834	85.025	38.437	12.065	6.605	3.046	406.300
Constant Year Cost	0.000	(6.102)	1.368	57.890	89.266	97.717	75.571	33.556	10.365	5.584	2.509	367.734
Present Value	0.000	(5.835)	1.551	53.848	81.328	87.179	65.839	28.532	8.552	4.493	1.982	327.459
Remarks: See remarks on individual service submissions.												

Exhibit MYP-4 Present Value Analysis					Date: February 2006							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No:					P-1 Line Item Nomenclature							
Aircraft Procurement Army (P1100)					Army UH-60M BLACKHAWK(MYP)							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Annual Proposal												
Then Year Cost	6.830	106.705	367.783	627.401	827.843	824.340	589.241	241.563	96.638	49.197	20.062	3,757.603
Constant Year Cost	6.830	104.509	352.820	589.491	761.788	742.975	520.159	208.854	81.833	40.804	16.297	3,426.360
Present Value	6.746	100.674	331.474	540.151	680.810	647.577	442.187	173.182	66.178	32.186	12.537	3,033.702
Multiyear Proposal												
Then Year Cost	6.830	116.080	377.656	587.819	764.579	758.426	539.046	219.256	88.413	44.852	18.106	3,521.063
Constant Year Cost	6.830	113.691	362.292	552.301	703.572	683.568	475.848	189.568	74.868	37.200	14.708	3,214.446
Present Value	6.746	109.519	340.373	506.073	628.782	595.798	404.518	157.190	60.546	29.343	11.315	2,850.203
Difference												
Then Year Cost	0.000	(9.375)	(9.873)	39.582	63.264	65.914	50.195	22.307	8.225	4.345	1.956	236.540
Constant Year Cost	0.000	(9.182)	(9.472)	37.190	58.216	59.407	44.311	19.286	6.965	3.604	1.589	211.914
Present Value	0.000	(8.845)	(8.899)	34.078	52.028	51.779	37.669	15.992	5.632	2.843	1.222	183.499
Remarks: Constant Year Dollars are Fiscal Year 2006. Inflation factors and outlay rates reflect January, 2006 OSD projections. Discount rate of 2.53% was applied to the constant dollar outlays, and assumes uniform outlays throughout the fiscal year (midyear factors).												

Exhibit MYP-4 Present Value Analysis					Date: February 2006							
Appropriation/Budget Activity					P-1 Line Item Nomenclature							
Aircraft Procurement Navy/Airlift/Aircraft, (BA-2)					Navy MH-60S MYP							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Annual Proposal												
Then Year Cost	12.260	76.940	184.920	290.070	357.840	389.730	304.430	145.160	35.480	18.920	9.620	1825.370
Constant Year Cost	12.260	75.780	179.910	277.780	336.410	359.910	277.960	131.850	32.510	17.230	8.660	1710.260
Present Value	12.260	74.990	175.670	268.570	322.930	342.790	260.980	121.290	28.890	15.020	7.440	1630.820
Multiyear Proposal												
Then Year Cost	12.260	76.660	180.810	277.160	335.380	364.400	286.000	137.090	33.280	17.710	9.120	1729.860
Constant Year Cost	12.260	75.510	175.960	265.520	315.360	336.530	261.130	124.510	30.490	16.130	8.210	1621.600
Present Value	12.260	74.720	171.760	256.620	302.650	320.510	245.180	114.540	27.100	14.050	7.050	1546.450
Difference												
Then Year Cost	0.000	0.270	4.110	12.900	22.470	25.330	18.430	8.080	2.200	1.210	0.500	95.510
Constant Year Cost	0.000	0.270	3.950	12.260	21.050	23.390	16.830	7.340	2.020	1.110	0.450	88.670
Present Value	0.000	0.270	3.910	11.950	20.270	22.280	15.800	6.750	1.790	0.960	0.390	84.370
Remarks:												
Quantities as represented in PB07 Budget.												
All numbers are in millions.												
Assumes concurrent production with MH-60R.												

Exhibit MYP-4 Present Value Analysis					Date: February 2006							
Appropriation/Budget Activity					P-1 Line Item Nomenclature							
Aircraft Procurement Navy/Airlift/Aircraft, (BA-1)					Navy MH-60R MYP (Airframe)							
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Total
Annual Proposal												
Then Year Cost	9.030	87.530	211.320	311.910	356.950	370.500	278.120	127.720	32.570	17.220	8.160	1811.030
Constant Year Cost	9.030	85.680	202.530	292.750	328.010	333.220	244.750	109.980	27.440	14.200	6.580	1654.170
Present Value	9.030	83.510	192.400	271.050	296.010	293.090	209.820	91.890	22.350	11.270	5.090	1485.490
Multiyear Proposal												
Then Year Cost	9.030	84.660	204.140	302.910	346.060	353.910	261.720	119.670	30.930	16.170	7.570	1736.780
Constant Year Cost	9.030	82.870	195.640	284.300	318.010	318.300	230.320	103.050	26.060	13.330	6.110	1587.020
Present Value	9.030	80.770	185.850	263.230	286.980	279.960	197.450	86.100	21.220	10.580	4.730	1425.900
Difference												
Then Year Cost	0.000	2.870	7.190	8.990	10.890	16.590	16.400	8.050	1.640	1.050	0.590	74.250
Constant Year Cost	0.000	2.810	6.890	8.440	10.000	14.920	14.430	6.930	1.380	0.870	0.470	67.150
Present Value	0.000	2.740	6.540	7.820	9.030	13.120	12.370	5.790	1.130	0.690	0.370	59.590
Remarks:												
Quantities as represented in PB07 Budget.												
All numbers are in millions, except where noted.												
All savings projections are assumed.												

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BUDGET ITEM JUSTIFICATION SHEET P-40					DATE: February 2006						
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/(BA-1)					P-1 ITEM NOMENCLATURE MH60R Advance Procurement (MYP)						
Program Element for Code B Items: PE 0204243N					Other Related Program Elements 0604216N Multi Mission Helicopter Upgrade Development						
	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total
COST (In Millions)	\$68.583	B	\$69.704	\$117.598	\$120.480	\$152.872	\$165.912	\$164.334	\$162.669	\$253.985	\$1,276.137
<p>MISSION AND DESCRIPTION: The MH-60R Multi-Mission helicopter provides battle group protection and adds significant capability in coastal littorals and regional conflicts. The MH-60R Multi-Mission Helicopter represents a significant avionics improvement to the H-60 series helicopters by enhancing primary mission areas of Undersea Warfare (USW) and Surface Warfare (SUW). Airborne Low Frequency Sonar (ALFS) will be added to enhance the existing acoustic suite. An added Multi-Mode Radar (MMR) includes an Inverse Synthetic Aperture Radar (ISAR) mode (permits stand-off classification of hostile threats). An improved Electronics Surveillance Measures system (ESM) will enable passive detection and targeting of radar sources not currently detectable.</p> <p>BASIS FOR FY 2007 BUDGET REQUEST: FY 2007 advance procurement funds are requested for procurement of long lead items in support of the FY2008 aircraft procurement. This covers Airframe and Avionics Contractor Furnished Equipment (CFE) which includes Termination Liability (TL), and long lead items for miscellaneous Avionics Government Furnished Equipment (GFE). The common cockpits for the MH-60R and MH-60S will be procured under a Multiyear Procurement (MYP) contract (FY 2005 - FY 2008), with an option year in FY 2009 . The Common Cockpit MYP funding reflects applicable EOQ requirements. This budget reflects a request a Airframe and Missions System multi-year procurement with EOQ.</p>											

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Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)				Date: February 2006								
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/BA-1				P-1 Line Item Nomenclature MH-60R Advance Procurement (MYP)								
Weapon System				Interval Between Systems								
MH-60R				Monthly (\$ in Millions)								
	PLT	When Rqd	Prior Years	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	To Complete	Total
End Item Qty			9	6	12	25	25	31	32	31	81	252
CFE - Airframe T.L (MYP FY06-10)	22		26.431	24.886	40.487						109.214	201.017
LL/EOQ												
FY2008						43.362						
FY2009						1.800	47.227					
FY2010						0.900	5.850	70.260				
FY2011						0.900	4.500	1.800	70.412	69.689		
Total CFE- Airframe MYP						46.962	57.577	72.060	70.412	69.689		316.700
CFE - Avionics T.L/Other	28		31.767	30.975							144.771	207.513
Mission Sys MYP					47.631							
LL/EOQ												
FY2008						51.129						
FY2009						2.200	58.091					
FY2010						1.100	7.150	67.369				
FY2011						1.100	5.500	2.200	68.313	70.410		
Total CFE- Avionics MYP						55.529	70.741	69.569	68.313	70.410		334.563
Common Cockpit MYP LL/EOQ	30											
FY2005			8.000									
FY2006				10.034								
FY2007				0.721	19.769							
FY2008				0.341	1.727	17.989						
FY2009 (Option)							24.553					
Total Common Cockpit MYP			8.000	11.096	21.496	17.989	24.553	24.283	25.608	22.570		155.595
GFE Misc. Avionics	var.	var.	2.385	2.747	7.984							13.116
Total AP			68.583	69.704	117.598	120.480	152.872	165.912	164.334	162.669	253.985	1,276.137
Description: Airframe & Avionics Contractor Furnished Equipment (CFE) Termination Liability (T.L.) and miscellaneous Avionics GFE long lead requirements which are necessary to maintain the MH-60R delivery schedule. Common Cockpit, Airframe and Mission System MYP funding reflects applicable EOQ requirements.												

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)							Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/BA-1					Weapon System MH-60R		P-1 Line Item Nomenclature MH-60R Advance Procurement (MYP)		
(TOA, \$ in Millions)									
	PLT	QPA	UNIT COST	FY2006 for FY 2007 Qty	FY 2006 Contract Forecast Date	FY 2006 Total Cost Request	FY2007 for FY 2008 Qty	FY 2007 Contract Forecast Date	FY 2007 Total Cost Request
End Item				24			25		
CFE - Airframe T.L.	22	1			Mar-06	40.5		Mar-07	47.0
CFE - Avionics T.L.	28	1			Mar-06	47.6		Mar-07	55.5
Common Cockpit MYP	30	1			Jan-06	21.5		Jan-07	18.0
GFE - Misc. Avionics	var	var		var	var	8.0	var	var	0.0

BUDGET ITEM JUSTIFICATION SHEET P-40									DATE: February 2006		
APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT,NAVY/BA 1							P-1 ITEM NOMENCLATURE E-2C (EARLY WARNING) HAWKEYE (MYP)				
Program Element for Code B Items:							Other Related Program Elements				
	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	38	A	2	2	2		4	4	4	57	113
Net P-1 Cost (\$M)	2,340.376		210.511	208.330	203.572	.000	592.442	677.834	663.930	8,605.037	13,502.031
Advance Proc (\$M)	677.496		36.244	37.527	.000	76.089	116.935	119.390	122.017	969.430	2,155.128
WPN Sys Cost (\$M)	3,017.872		246.755	245.857	203.572	76.089	709.377	797.224	785.947	9,574.466	15,657.159
Initial Spares (\$M)	141.528		6.530	.446	.515	.000	15.997	11.478	9.179	175.125	360.798
Proc Cost (\$M)	3,159.400		253.285	246.303	204.087	76.089	725.374	808.702	795.126	9,749.592	16,017.957
Unit Cost (\$M)	83.142		126.643	123.152	102.044		181.343	202.176	198.781	171.045	141.752

Description: The E-2C Haw keye is an all weather, carrier-based, airborne early warning and command and control aircraft. It extends task force defense perimeters by providing early warning of approaching enemy units and by vectoring interceptors into attack position. Additionally, the E-2C Haw keye provides strike control, radar surveillance, search and rescue assistance, communications relay and automatic tactical data exchange.

Basis for Request:

The FY2007 budget funds two aircraft and their associated support.

Note 1:

During FY04 to FY07, to ensure the industrial base remains viable, funds are required to procure aircraft to continue the deployment of the Cooperative Engagement Capability (CEC) and provide training aircraft to the fleet. Aircraft and engine multi-year contracts (FY04-FY07) are required to retain critical skills, maintain proficiency, and reduce loss of learning as the program transitions to Advanced Haw keye.

Exhibit P-5 Cost Analysis		Weapon System					DATE:		
		E-2C (EARLY WARNING) HAWKEYE (MYP)					Feb-06		
APPROPRIATION/BUDGET ACTIVITY		ID Code		P-1 ITEM NOMENCLATURE					
AIRCRAFT PROCUREMENT,NAVY/BA 1		A		E-2C (EARLY WARNING) HAWKEYE (MYP)					
			Dollars in Thousands						
Cost	Element of Cost	Prior Years	FY 2005		FY 2006		FY 2007		
		QTY: 38	QTY:	2	QTY:	2	QTY:	2	
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	
1	AIRFRAME/CFE	1,480,126.859	73,504.708	147,009.415	75,284.423	150,568.846	79,892.309	159,784.618	
2	CFE ELECTRONICS	729,054.282	9,994.700	19,989.400	4,014.500	8,029.000	10,727.272	21,454.543	
3	GFE ELECTRONICS	176,357.897	5,673.123	11,346.246	4,737.199	9,474.398	4,261.849	8,523.697	
4	ENGINES / ENGINE ACC	214,256.449	6,897.878	13,795.756	7,005.173	14,010.346	7,206.455	14,412.909	
5	ARMAMENT								
6	INSTRUMENTS								
7	OTHER GFE	21,333.496	1,744.659	3,489.317	1,761.514	3,523.027	1,659.491	3,318.982	
8	REC FLYAWAY ECO		.000		.000		.000		
9	Rec Flyaway Cost	2,621,128.983	97,815.067	195,630.134	92,802.809	185,605.617	103,747.375	207,494.749	
10	NON-RECURRING	73,675.126		338.600		7,040.069		8,122.466	
11	ANCILLARY EQUIPMENT								
12	MISCELLANEOUS								
13	Total Flyaway Cost	2,694,804.109	97,984.367	195,968.734	96,322.843	192,645.686	107,808.608	215,617.215	
14	AIRFRAME PGSE	19,404.628		726.030		3,393.631		1,673.201	
15	ENGINE PGSE	91.000							
16	AVIONICS PGSE	6,240.236		180.900		2,295.000		1,810.321	
17	PEC TRNG EQ	51,596.461		1,341.144		1,358.036		2,678.843	
18	PUBS / TECH DATA	16,077.679		1,154.232		3,174.163		2,220.042	
19	OTHER ILS	5,500.000		5,000.000		11,000.000		12,000.000	
20	FACILITIES MANAGEMENT								
21	FIELD ACTIVITIES								
22	PRODUCTION ENG SUPPORT	195,619.488		20,713.960		20,755.484		29,015.378	
23	MISCELLANEOUS SUPPORT								
24	Support Cost	294,529.492		29,116.266		41,976.314		49,397.785	
25	Gross P-1 Cost	2,989,333.601		225,085.000		234,622.000		265,015.000	
26	Adv Proc Credit	-648,958.000		-14,574.000		-26,292.000		-61,443.000	
27	Net P-1 Cost	2,340,375.601		210,511.000		208,330.000		203,572.000	
28	Adv Proc CY	677,496.000		36,244.000		37,527.000		.000	
29	Weapon System Cost	3,017,871.601		246,755.000		245,857.000		203,572.000	
30	Initial Spares	141,528.000		6,530.000		446.000		515.000	
31	Procurement Cost	3,159,399.601		253,285.000		246,303.000		204,087.000	

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)						Weapon System E-2C (EARLY WARNING) HAWKEYE (MYP)		A. DATE February 2006			
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE					SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 1					E-2C (EARLY WARNING) HAWKEYE (MYP)					Y1A1	
P-5A AIRFRAME/CFE											
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available	
AIRFRAME/CFE											
FY 2005 Regular (Multi-Year)	2	83,499	NAVAIR	Nov-03	SS-MYP	NORTHROP GRUMMAN SYS, NY	Dec-04	May-07	Yes	N/A	
EOQ for FY07		TL/EOQ	NAVAIR	Nov-03	AAC/MYP	NORTHROP GRUMMAN SYS, NY	Dec-04				
FY 2006 Regular (Multi-Year)	2	79,299	NAVAIR	Nov-03	SS-MYP	NORTHROP GRUMMAN SYS, NY	Jan-06	May-08	Yes	N/A	
FY 06 Advance Procurement for FY 07		TL	NAVAIR	Nov-03	AAC/MYP	NORTHROP GRUMMAN SYS, NY	Jan-06				
FY 2007 Regular (Multi-Year)	2	90,620	NAVAIR	Nov-03	SS-MYP	NORTHROP GRUMMAN SYS, NY	Dec-06	May-09	Yes	N/A	
D. Remarks:											
FY 04-07 will be MYP due to quantities being below minimum sustaining rate.											
FY06 Award Date in Jan-06 due to Continuing Resolution Authority. No impact to delivery schedule.											

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)						Weapon System E-2C (EARLY WARNING) HAWKEYE (MYP)		A. DATE February 2006			
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE					SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 1					E-2C (EARLY WARNING) HAWKEYE (MYP)					Y1A1	
P-5A ENGINES / ENGINE ACC											
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available	
ENGINES											
FY 2005	*4	2,177	NAVAIR	Oct-04	SS-MYP	ROLLS-ROYCE CORP, INDIANAPOLIS, IN	Mar-05	Nov-06	Yes	N/A	
FY 05 Advance Procurement for FY 06				Oct-04	AAC/MYP	ROLLS-ROYCE CORP, INDIANAPOLIS, IN	Mar-05				
FY 2006	*4	2,428	NAVAIR	Oct-05	SS-MYP	ROLLS-ROYCE CORP, INDIANAPOLIS, IN	Jan-06	Jan-08	Yes	N/A	
FY 06 Advance Procurement for FY 07				Oct-05	AAC/MYP	ROLLS-ROYCE CORP, INDIANAPOLIS, IN	Jan-06				
FY 2007	*4	2,433	NAVAIR	Oct-06	SS-MYP	ROLLS-ROYCE CORP, INDIANAPOLIS, IN	Dec-06	Dec-08	Yes	N/A	
D. Remarks:											
*Quantity is 2 per aircraft. FY05 - Final contract definitization of Multi Year Contract did not occur until Feb 05. FY06 Award Date in Jan-06 due to Continuing Resolution Authority. No impact to delievery schedule.											

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Totals may not add due to rounding
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BUDGET ITEM JUSTIFICATION SHEET P-40							DATE: February 2006					
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)							P-1 ITEM NOMENCLATURE E-2C Advance Procurement (MYP)					
Program Element for Code B items:							Other Related Program Elements					
	Prior Years	ID Code		FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total
COST (In Millions)	677.496	A		36.244	37.527	0.000	76.089	116.935	119.390	122.017	969.430	2,155.128
MISSION AND DESCRIPTION: The E-2 is an all weather, carrier-based, airborne early warning and command and control aircraft. It extends task force defense perimeters by providing early warning of approaching enemy units and by vectoring interceptors into attack position. Additionally, the Hawkeye provides strike control, radar surveillance, search and rescue assistance, communications relay,and automatic tactical data exchange. BASIS FOR FY 2007 BUDGET REQUEST:												

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Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)							Date: February 2006					
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number 1506/BA1/NA							P-1 Line Item Nomenclature E-2C Advance Procurement (MYP)					
Weapon System E-2C Hawkeye				First System Award Date Jan 06				First System Completion Date May 09				
(\$ in Millions)												
	PLT	When Rqd	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total
			38	2	2	2	0	4	4	4	57	113
				Multiyear	Multiyear	Multiyear						
CFE/AIRFRAME	41	Var	141.1				58.215	91.565	93.513	95.623	758.327	1,238.343
PRIOR LL/EOQ			273.0									273.000
FY03 LL/EOQ			158.8									158.800
LL/EOQ AIRFRAME												
FOR FY04			20.9									20.900
FOR FY05			13.0									13.000
FOR FY06			7.0	17.000								23.982
FOR FY07			7.0	16.934	25.000							48.916
TOTAL LL/EOQ AIRFRAME			47.9	33.934	25.000							106.798

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Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)							Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number 1506/-/BA1/-/NA				Weapon System E-2C HAWKEYE		P-1 Line Item Nomenclature E-2C ADVANCE PROCUREMENT(MYP)			
(TOA, \$ in Millions)									
	PLT	QPA	UNIT COST	FY 2006 For FY 2007 Qty	FY2006 Contract Forecast Date	FY2006 Total Cost Request	FY 2007 For FY 2008 Qty	FY2007 Contract Forecast Date	FY2007 Total Cost Request
E-2C		N/A	N/A	2	N/A	N/A	0	N/A	N/A
AIRFRAME/CFE	24	1	TL	2	Jan 06	25.0	0	N/A	0
ENGINE	32	2	TL	4	Jan 06	1.2	0	N/A	0
GFE	24	VAR	TL	VAR	Various	11.3	0	N/A	0
Description:									

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BUDGET ITEM JUSTIFICATION SHEET

P-40

DATE:

February 2006

APPROPRIATION/BUDGET ACTIVITY
AIRCRAFT PROCUREMENT,NAVY/BA 2

P-1 ITEM NOMENCLATURE
UC-35

Program Element for Code B Items:

Other Related Program Elements

	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	9	A	2								11
Net P-1 Cost (\$M)	66.419		16.026								82.445
Advance Proc (\$M)											
WPN Sys Cost (\$M)	66.419		16.026								82.445
Initial Spares (\$M)	1.219										1.219
Proc Cost (\$M)	67.638		16.026								83.664
Unit Cost (\$M)	7.515		8.013								7.606

Description: The UC-35 is a FAA type-certified modern commercial cargo/passenger transport aircraft (Cessna Citation Ultra/Encore) that will replace the US Marine Corps' (USMC) CT-39 aircraft in performing Operational Support Airlift (OSA) missions. The OSA mission provides transportation for high priority passengers and cargo with time, place or mission sensitive requirements. Two UC-35 aircraft have also been procured for the USMC Reserves in FY98 using National Guard & Reserve Equipment (NG&RE). Basis for FY 2007 request: No funds are requested.

Exhibit P-5 Cost Analysis		Weapon System				DATE:		
		UC-35				February 2006		
APPROPRIATION/BUDGET ACTIVITY		ID Code		P-1 ITEM NOMENCLATURE				
AIRCRAFT PROCUREMENT,NAVY/BA 2		A		UC-35				
			Dollars in Thousands					
Cost	Element of Cost	Prior Years	FY 2005		FY 2006		FY 2007	
		QTY: 9	QTY:	2	QTY:	0	QTY:	0
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1	AIRFRAME/CFE	63,851.050	7,940.000	15,880.000				
2	CFE ELECTRONICS							
3	GFE ELECTRONICS							
4	ENGINES / ENGINE ACC							
5	ARMAMENT							
6	INSTRUMENTS							
7	OTHER GFE							
8	REC FLYAWAY ECO							
9	Rec Flyaway Cost	63,851.050	7,940.000	15,880.000				
10	AIRFRAME PGSE			66.000				
11	AIRFRAME PGSE							
12	ENGINE PGSE							
13	AVIONICS PGSE							
14	PEC TRNG EQ							
15	PUBS / TECH DATA	7.000						
16	PEC TRNG EQ							
17	PUBS / TECH DATA							
18	OTHER ILS	2,369.743						
19	FACILITIES MANAGEMENT							
20	PRODUCTION ENG SUPPORT	191.207		80.000				
21	MISCELLANEOUS SUPPORT							
22	Support Cost	2,567.950		146.000				
23	Gross P-1 Cost	66,419.000		16,026.000				
24	Adv Proc Credit							
25	Net P-1 Cost	66,419.000		16,026.000				
26	Adv Proc CY							
27	Weapon System Cost	66,419.000		16,026.000				
28	Initial Spares	1,219.000						
29	Procurement Cost	67,638.000		16,026.000				

Exhibit P-5 Cost Analysis		Weapon System UC-35								DATE: February 2006	
APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT,NAVY/BA 2		ID Code A				P-1 ITEM NOMENCLATURE UC-35					
						Dollars in Thousands					
Cost	Element of Cost	FY 2008		FY 2009		FY 2010		FY 2011		To Complete	Summary Total A/C
		QTY:	0	QTY:	0	QTY:	0	QTY:	0	QTY: 0	QTY:
		Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Cost	Total Cost
	1 AIRFRAME/CFE 2 CFE ELECTRONICS 3 GFE ELECTRONICS 4 ENGINES / ENGINE ACC 5 ARMAMENT 6 INSTRUMENTS 7 OTHER GFE 8 REC FLYAWAY ECO 9 Rec Flyaway Cost 10 AIRFRAME PGSE 11 AIRFRAME PGSE 12 ENGINE PGSE 13 AVIONICS PGSE 14 PEC TRNG EQ 15 PUBS / TECH DATA 16 PEC TRNG EQ 17 PUBS / TECH DATA 18 OTHER ILS 19 FACILITIES MANAGEMENT 20 PRODUCTION ENG SUPPORT 21 MISCELLANEOUS SUPPORT 22 Support Cost 23 Gross P-1 Cost 24 Adv Proc Credit 25 Net P-1 Cost 26 Adv Proc CY 27 Weapon System Cost 28 Initial Spares 29 Procurement Cost										

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System UC-35			A. DATE February 2006			
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE					SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 2					UC-35					42CA	
P-5A AIRFRAME/CFE											
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available	
AIRFRAME/CFE FY 2005	2	7,940	CDR, PEO AVIA, REDSTONE ARSENAL, AL	N/A	FFP	CESSNA AIRCRAFT WICHITA, KS	02/05	03/06	N/A	N/A	
D. Remarks:											

FY 2006/2007 BUDGET PRODUCTION SCHEDULE, P-21

DATE Feb 2006

APPROPRIATION/BUDGET ACTIVITY

Weapon System

P-1 ITEM NOMENCLATURE

Aircraft Procurement, Navy/BA-2

UC-35

UC-35

		Production Rate			Procurement Leadtimes					
Item	Manufacturer's Name and Location	MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure
UC-35	Cessna ACFT Co.	N/A	N/A	N/A	0	4	N/A	13	17	E

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005												FISCAL YEAR 2006												B A L
						2004			CALENDAR YEAR 2005									CALENDAR YEAR 2006												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
UC-35/CESSNA	05	N	2	0	2					A											1	1							0	

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007												FISCAL YEAR 2008												B A L
						2006			CALENDAR YEAR 2007									CALENDAR YEAR 2008												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	

D. Remarks:

BUDGET ITEM JUSTIFICATION SHEET

P-40

DATE:

February 2006

APPROPRIATION/BUDGET ACTIVITY
AIRCRAFT PROCUREMENT,NAVY/BA 2

P-1 ITEM NOMENCLATURE
C-40A Aircraft/42B2

Program Element for Code B Items:

Other Related Program Elements

	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	4	A	1				5	1	1	13	25
Net P-1 Cost (\$M)	235.132		64.922	10.184			392.261	79.863	82.141	1,608.517	2,473.020
Advance Proc (\$M)											
WPN Sys Cost (\$M)	235.132		64.922	10.184			392.261	79.863	82.141	1,608.517	2,473.020
Initial Spares (\$M)	2.137		12.395	8.643			4.892		.537	3.500	32.104
Proc Cost (\$M)	237.269		77.317	18.827			397.153	79.863	82.678	1,612.017	2,505.124
Unit Cost (\$M)	59.317		77.317				79.431	79.863	82.678	124.001	100.205

Description:

Description:

The C-40A is the replacement for the C-9B/DC-9 aircraft. The C-40A provides the Navy Reserve with a long range aircraft that will carry high priority passenger and cargo. The C-40A carries 121 passengers in the all passenger configuration, eight standard DoD cargo pallets in the all cargo configuration, or 3 pallets and 70 passengers in the combination configuration. The C-40A is a commercial derivative of the Boeing 737-700C and all three configurations are FAA Certified. The C-40A is certified for Extended Twin-Engine Operations (ETOPS) for over water operations.

In prior years, in addition to the four aircraft shown above, four C-40A aircraft and related support were procured for the Naval Reserves using FY97-99 National Guard & Reserve Equipment (NGR&E) funding. These aircraft and their associated costs are not reflected above.

The long term objective for the C-40A program is to replace all 29 C-9B/DC-9 aircraft.

Basis for FY2007 request: No funds are requested in FY2007.

Fluctuations in Other ILS and Airframe PGSE across the FYDP are due to required Site Activations.

Exhibit P-5 Cost Analysis		Weapon System C-40A				DATE: February 2006		
APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT,NAVY/BA 2		ID Code A		P-1 ITEM NOMENCLATURE C-40A Aircraft/42B2				
			Dollars in Thousands					
Cost	Element of Cost	Prior Years	FY 2005		FY 2006		FY 2007	
		QTY: 4	QTY:	1	QTY:	0	QTY:	0
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1	AIRFRAME/CFE	229,868.784	63,250.000	63,250.000				
2	CFE ELECTRONICS							
3	GFE ELECTRONICS	253.000	58.000	58.000				
4	ENGINES / ENGINE ACC							
5	ARMAMENT							
6	INSTRUMENTS							
7	OTHER GFE							
8	REC FLYAWAY ECO							
9	Rec Flyaway Cost	230,121.784	63,308.000	63,308.000				
10	AIRFRAME PGSE	1,134.000				4,025.000		
11	AIRFRAME PGSE							
12	ENGINE PGSE							
13	AVIONICS PGSE							
14	PEC TRNG EQ							
15	PUBS / TECH DATA							
16	PEC TRNG EQ							
17	PUBS / TECH DATA							
18	OTHER ILS	1,844.000		1,276.000		5,165.000		
19	FACILITIES MANAGEMENT							
20	PRODUCTION ENG SUPPORT	2,032.216		338.000		994.000		
21	MISCELLANEOUS SUPPORT							
22	Support Cost	5,010.216		1,614.000		10,184.000		
23	Gross P-1 Cost	235,132.000		64,922.000		10,184.000		
24	Adv Proc Credit							
25	Net P-1 Cost	235,132.000		64,922.000		10,184.000		
26	Adv Proc CY							
27	Weapon System Cost	235,132.000		64,922.000		10,184.000		
28	Initial Spares	2,137.000		12,395.000		8,643.000		
29	Procurement Cost	237,269.000		77,317.000		18,827.000		

Exhibit P-5 Cost Analysis		Weapon System C-40A						DATE: February 2006			
APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT,NAVY/BA 2		ID Code A				P-1 ITEM NOMENCLATURE C-40A Aircraft/42B2					
						Dollars in Thousands					
Cost	Element of Cost	FY 2008		FY 2009		FY 2010		FY 2011		To Complete	Summary Total A/C
		QTY:		QTY:		QTY:		QTY:		QTY:	
		Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Cost	Total Cost
	1 AIRFRAME/CFE										
	2 CFE ELECTRONICS										
	3 GFE ELECTRONICS										
	4 ENGINES / ENGINE ACC										
	5 ARMAMENT										
	6 INSTRUMENTS										
	7 OTHER GFE										
	8 REC FLYAWAY ECO										
	9 Rec Flyaway Cost										
	10 AIRFRAME PGSE										
	11 AIRFRAME PGSE										
	12 ENGINE PGSE										
	13 AVIONICS PGSE										
	14 PEC TRNG EQ										
	15 PUBS / TECH DATA										
	16 PEC TRNG EQ										
	17 PUBS / TECH DATA										
	18 OTHER ILS										
	19 FACILITIES MANAGEMENT										
	20 PRODUCTION ENG SUPPORT										
	21 MISCELLANEOUS SUPPORT										
	22 Support Cost										
	23 Gross P-1 Cost										
	24 Adv Proc Credit										
	25 Net P-1 Cost										
	26 Adv Proc CY										
	27 Weapon System Cost										
	28 Initial Spares										
	29 Procurement Cost										

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System C-40A			A. DATE February 2006		
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE					SUBHEAD
AIRCRAFT PROCUREMENT,NAVY/BA 2					C-40A Aircraft					42B2
P-5A AIRFRAME/CFE										
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available
AIRFRAME/CFE FY2005	1	63,250	NAVAIR	N/A	FFP	THE BOEING COMPANY, SEATTLE, WA	12/04	5/06	N/A	N/A
D. Remarks:										

[illegible]

BUDGET ITEM JUSTIFICATION SHEET

P-40

DATE:

February 2006

APPROPRIATION/BUDGET ACTIVITY
AIRCRAFT PROCUREMENT,NAVY/BA 2

P-1 ITEM NOMENCLATURE
C-37 Aircraft/42VP

Program Element for Code B Items:

Other Related Program Elements

	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	2	A	2						1		5
Net P-1 Cost (\$M)	100.780		106.138						62.749		269.667
Advance Proc (\$M)											
WPN Sys Cost (\$M)	100.780		106.138						62.749		269.667
Initial Spares (\$M)	1.830		1.987								3.817
Proc Cost (\$M)	102.610		108.125						62.749		273.484
Unit Cost (\$M)	51.305		54.063						62.749		54.697

Description: The C-37 is a long-range, twin-turboprop, Commercial Off the Shelf (COTS) Non-Developmental Item (NDI), Federal Aviation Administration (FAA) certified, transport aircraft. The aircraft will be certified per Federal Aviation Regulation (FAR) Part 25 (Airworthiness Standards), Part 34 (Pollution), and Part 36 (Noise).

The mission of the C-37 aircraft is to provide long range executive transport to the Secretary of the Navy (SECNAV), Chief of Naval Operations (CNO), Commandant of the Marine Corps (CMC), and Theatre Commanders. Four of the five aircraft currently meeting this mission have exceeded or will exceed fatigue life expiration by FY 2006.

The C-37 aircraft will comply with Reduced Vertical Separation Minimum (RVSM), extended twin-engine over-water requirements and be Communication, Navigation, Surveillance/Air Traffic Management (CNS/ATM) compliant. The aircraft will have state of the art avionics that comply with all known FAA and International Civil Organization (ICAO) mandates and Future Air Navigation Systems (FANS) requirements.

The total C-37 aircraft program requirement is five (5) aircraft.
Basis for FY 2007 request: No funds are requested in FY 2007.

Exhibit P-5 Cost Analysis		Weapon System				DATE:		
		C-37				February 2006		
APPROPRIATION/BUDGET ACTIVITY		ID Code		P-1 ITEM NOMENCLATURE				
AIRCRAFT PROCUREMENT,NAVY/BA 2		A		C-37 Aircraft/42VP				
			Dollars in Thousands					
Cost	Element of Cost	Prior Years	FY 2005		FY 2006		FY 2007	
		QTY: 2	QTY:	2	QTY:	0	QTY:	0
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1	AIRFRAME/CFE	87,668.596	51,575.000	103,150.000				
2	CFE ELECTRONICS							
3	GFE ELECTRONICS	53.045	55.000	110.000				
4	ENGINES / ENGINE ACC							
5	ARMAMENT							
6	INSTRUMENTS							
7	OTHER GFE							
8	REC FLYAWAY ECO							
9	Rec Flyaway Cost	87,721.641	51,630.000	103,260.000				
10	AIRFRAME PGSE	900.000		412.000				
11	AIRFRAME PGSE							
12	ENGINE PGSE	6,688.146						
13	AIRFRAME PGSE							
14	ENGINE PGSE							
15	AVIONICS PGSE	66.991						
16	PEC TRNG EQ	1,139.506		300.000				
17	PUBS / TECH DATA	926.782		463.000				
18	OTHER ILS	2,291.059		908.000				
19	FACILITIES MANAGEMENT							
20	PRODUCTION ENG SUPPORT	1,045.875		795.000				
21	MISCELLANEOUS SUPPORT							
22	Support Cost	13,058.359		2,878.000				
23	Gross P-1 Cost	100,780.000		106,138.000				
24	Adv Proc Credit							
25	Net P-1 Cost	100,780.000		106,138.000				
26	Adv Proc CY							
27	Weapon System Cost	100,780.000		106,138.000				
28	Initial Spares	1,830.000		1,987.000				
29	Procurement Cost	102,610.000		108,125.000				

Exhibit P-5 Cost Analysis		Weapon System C-37						DATE: February 2006			
APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT,NAVY/BA 2		ID Code A				P-1 ITEM NOMENCLATURE C-37 Aircraft/42VP					
						Dollars in Thousands					
Cost	Element of Cost	FY 2008		FY 2009		FY 2010		FY 2011		To Complete	Summary Total A/C
		QTY:	0	QTY:	0	QTY:	0	QTY:		QTY:	
		Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Cost	Total Cost
	1 AIRFRAME/CFE 2 CFE ELECTRONICS 3 GFE ELECTRONICS 4 ENGINES / ENGINE ACC 5 ARMAMENT 6 INSTRUMENTS 7 OTHER GFE 8 REC FLYAWAY ECO 9 Rec Flyaway Cost 10 AIRFRAME PGSE 11 AIRFRAME PGSE 12 ENGINE PGSE 13 AIRFRAME PGSE 14 ENGINE PGSE 15 AVIONICS PGSE 16 PEC TRNG EQ 17 PUBS / TECH DATA 18 OTHER ILS 19 FACILITIES MANAGEMENT 20 PRODUCTION ENG SUPPORT 21 MISCELLANEOUS SUPPORT 22 Support Cost 23 Gross P-1 Cost 24 Adv Proc Credit 25 Net P-1 Cost 26 Adv Proc CY 27 Weapon System Cost 28 Initial Spares 29 Procurement Cost										

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)						Weapon System C-37		A. DATE February 2006		
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE				SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 2					C-37 Aircraft/42VP				42VP	
P-5A AIRFRAME/CFE										
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available
AIRFRAME/CFE FY2005	2	51,575	Wright Pat AFB	N/A	SS-IDIQ	GULFSTREAM AEROSPACE CORPORATION, SAVANNAH, GA	12/04	6/06	N/A	N/A
D. Remarks:										

BUDGET ITEM JUSTIFICATION SHEET
P-40

DATE: February 2006

APPROPRIATION/BUDGET ACTIVITY
AIRCRAFT PROCUREMENT,NAVY/BA 3P-1 ITEM NOMENCLATURE
T-45TS (TRAINER) GOSHAWK

Program Element for Code B Items:

Other Related Program Elements

	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	195	A	10	6	12						223
Net P-1 Cost (\$M)	4,344.730		301.028	236.266	376.361	32.361					5,290.746
Advance Proc (\$M)	342.890										342.890
WPN Sys Cost (\$M)	4,687.620		301.028	236.266	376.361	32.361					5,633.636
Initial Spares (\$M)	258.708		7.847	9.047	11.087						286.689
Proc Cost (\$M)	4,946.328		308.875	245.313	387.448	32.361					5,920.325
Unit Cost (\$M)	25.366		30.888	40.886	32.287						26.549

Description:

The T45TS is an optimized replacement for the existing pilot training system that meets carrier pilot production requirements (TA-4J retired in FY99 and T-2C starts retirement in FY07). The fully integrated system includes: 223 T-45 aircraft; 18 simulators; academic materials, training aids, and equipment; two computer based training integration systems; and contractor logistics support of all system elements.

BASIS FOR FY 2007 REQUEST: FY07 fully funds 12 T45TS aircraft and associated support.

Exhibit P-5 Cost Analysis		Weapon System T-45TS (TRAINER) GOSHAWK					DATE: February 2006		
APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT,NAVY/BA 3		ID Code A		P-1 ITEM NOMENCLATURE T-45TS (TRAINER) GOSHAWK					
			Dollars in Thousands						
Cost	Element of Cost	Prior Years	FY 2005		FY 2006		FY 2007		
		QTY: 195	QTY:	10	QTY:	6	QTY:	12	
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	
1	AIRFRAME/CFE	3,219,160.434	19,572.687	195,726.868	23,989.111	143,934.666	19,768.839	237,226.064	
2	CFE ELECTRONICS								
3	GFE ELECTRONICS	25,916.920	241.319	2,413.189	255.027	1,530.159	245.888	2,950.659	
4	ENGINES / ENGINE ACC	279,875.571	3,800.811	38,008.112	4,625.647	27,753.880	4,145.418	49,745.016	
5	ARMAMENT	3,177.004	34.597	345.967	32.668	196.005	34.989	419.866	
6	INSTRUMENTS	10,314.863	5.519	55.185	2.643	15.855	2.862	34.345	
7	OTHER GFE	83,960.847	583.303	5,833.030	603.129	3,618.776	653.850	7,846.200	
8	REC FLYAWAY ECO	20,136.002	494.566	4,945.655	737.927	4,427.561	191.391	2,296.692	
9	Rec Flyaway Cost	3,642,541.641	24,732.801	247,328.006	30,246.150	181,476.902	25,043.237	300,518.842	
10	NON-RECURRING	102,393.174		8,538.940		1,104.548		29,123.370	
11	ANCILLARY EQUIPMENT	27,268.921		2,422.226		3,481.979		1,053.343	
12	MISCELLANEOUS								
13	Total Flyaway Cost	3,772,203.736	25,828.917	258,289.172	31,010.572	186,063.429	27,557.963	330,695.555	
14	AIRFRAME PGSE	125,160.251		6,564.120		4,769.402		7,978.324	
15	ENGINE PGSE								
16	AVIONICS PGSE								
17	PEC TRNG EQ	213,967.938				8,100.000			
18	PUBS / TECH DATA	54,520.690		1,082.825		2,169.417		2,852.913	
19	OTHER ILS	271,639.085		15,680.547		15,488.551		14,863.369	
20	FACILITIES MANAGEMENT	216,486.137		17,297.079		17,798.518		18,516.079	
21	PRODUCTION ENG SUPPORT	60.000							
22	MISCELLANEOUS SUPPORT	33,582.593		2,114.257		1,876.683		1,454.760	
23	Support Cost	915,416.694		42,738.828		50,202.571		45,665.445	
24	Gross P-1 Cost	4,687,620.430		301,028.000		236,266.000		376,361.000	
25	Adv Proc Credit	-342,889.992							
26	Net P-1 Cost	4,344,730.438		301,028.000		236,266.000		376,361.000	
27	Adv Proc CY	342,889.992							
28	Weapon System Cost	4,687,620.430		301,028.000		236,266.000		376,361.000	
29	Initial Spares	258,707.877		7,847.000		9,047.000		11,087.000	
30	Procurement Cost	4,946,328.307		308,875.000		245,313.000		387,448.000	

Exhibit P-5 Cost Analysis		Weapon System T-45TS (TRAINER) GOSHAWK						DATE: February 2006			
APPROPRIATION/BUDGET ACTIVITY		ID Code				P-1 ITEM NOMENCLATURE					
AIRCRAFT PROCUREMENT,NAVY/BA 3		A				T-45TS (TRAINER) GOSHAWK					
						Dollars in Thousands					
Cost	Element of Cost	FY 2008		FY 2009		FY 2010		FY 2011		To Complete	Summary Total A/C
		QTY:	0	QTY:	0	QTY:	0	QTY:	0	QTY: 0	QTY: 223
		Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Cost	Total Cost
	1 AIRFRAME/CFE										
	2 CFE ELECTRONICS										
	3 GFE ELECTRONICS										
	4 ENGINES / ENGINE ACC										
	5 ARMAMENT										
	6 INSTRUMENTS										
	7 OTHER GFE										
	8 REC FLYAWAY ECO										
	9 Rec Flyaway Cost										
	10 NON-RECURRING										
	11 ANCILLARY EQUIPMENT										
	12 MISCELLANEOUS										
	13 Total Flyaway Cost										
	14 AIRFRAME PGSE										
	15 ENGINE PGSE										
	16 AVIONICS PGSE										
	17 PEC TRNG EQ										
	18 PUBS / TECH DATA										
	19 OTHER ILS										
	20 FACILITIES MANAGEMENT										
	21 PRODUCTION ENG SUPPORT										
	22 MISCELLANEOUS SUPPORT										
	23 Support Cost										
	24 Gross P-1 Cost										
	25 Adv Proc Credit										
	26 Net P-1 Cost										
	27 Adv Proc CY										
	28 Weapon System Cost										
	29 Initial Spares										
	30 Procurement Cost										

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System T-45TS (TRAINER) GOSHAWK			A. DATE February 2006			
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE					SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 3					T-45TS (TRAINER) GOSHAWK					U3GH	
P-5A AIRFRAME/CFE											
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available	
AIRFRAME/CFE											
FY 2005	10	19,573	NAVAIR, PAX RIVER	Nov-03	SS-FP	THE BOEING COMPANY, SAINT LOUIS, MO	Jan-05	Oct-06	Yes	N/A	
FY 2006	6	23,989	NAVAIR, PAX RIVER	Nov-04	SS-FP	THE BOEING COMPANY, SAINT LOUIS, MO	Mar-06	Nov-07	Yes	N/A	
FY 2007	12	19,769	NAVAIR, PAX RIVER	Nov-05	SS-FP	THE BOEING COMPANY, SAINT LOUIS, MO	Mar-07	Oct-08	Yes	N/A	
D. Remarks:											
<p>Airframe/CFE and CFE Mission Electronics only. Engine is GFE</p> <p>Sole Source because Boeing (MDA) is the designer, developer and sole manufacturer/integrator of the T-45 airplane.</p> <p>Only Boeing (MDA) possesses the unique experience and capabilities to fulfill this requirement. Because Boeing is the sole source contractor, there are normally no formal RFPs utilized, and the process begins with Boeing submitting a proposal. Therefore, the RFP dates above are not true RFP dates and reflect NAVAIR contracting estimates on when proposals began.</p>											

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System T-45TS (TRAINER) GOSHAWK			A. DATE February 2006			
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE					SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 3					T-45TS (TRAINER) GOSHAWK					U3GH	
P-5A ENGINES / ENGINE ACC											
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available	
ENGINES											
FY 2005	9	4,223	NAVAIR, PAX RIVER	May-04	SS-FP	ROLLS-ROYCE PLC, BRISTOL GB	Aug-05	Jun-06	Yes	N/A	
FY 2006	6	4,626	NAVAIR, PAX RIVER	May-04	SS-FFP	ROLLS-ROYCE PLC, BRISTOL GB	Feb-06	Apr-07	Yes	N/A	
FY 2007	12	4,145	NAVAIR, PAX RIVER	Feb-06	SS-FFP	ROLLS-ROYCE PLC, BRISTOL GB	Feb-07	Mar-08	Yes	NA	
D. Remarks:											
<p>Engine/Accessories only.</p> <p>Sole source because Rolls Royce is the designer, developer and sole source manufacturer of the T-45 engine.</p> <p>Only Rolls Royce possesses the unique experience and capabilities to fulfill this requirement. Therefore, no formal RFPs are utilized, and initial discussions begin on the RFP issue dates listed.</p>											

PRODUCTION SCHEDULE, P-21						DATE February 2006																																						
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy / B.A. 3						Weapon System T45TS GOSHAWK						P-1 ITEM NOMENCLATURE T45TS																																
						Production Rate			Procurement Leadtimes																																			
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1			ALT After Oct 1			Initial Mfg PLT			Reorder Mfg PLT			Total	Unit of Measure																						
T45TS Engine	Rolls Royce Bristol England					8	12	24	0			5			30			13			18	each																						
ITEM / MANUFACTURER						F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005											FISCAL YEAR 2006											B A L											
											2004											CALENDAR YEAR 2005											CALENDAR YEAR 2006											
											O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	B A L									
T45TS ENGINES/ROLLS ROYCE						04	N	15	0	15						1	1	1	1	1	1	1	1	2	1	1	2	1						0										
T45TS ENGINES/ROLLS ROYCE						05	N	9	0	9																				1	1	1	1	5										
ITEM / MANUFACTURER						F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007											FISCAL YEAR 2008											B A L											
											2006											CALENDAR YEAR 2007											CALENDAR YEAR 2008											
											O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	B A L									
T45TS ENGINES/ROLLS ROYCE						05	N	9	4	5	1	1	1	1	1																			0										
T45TS ENGINES/ROLLS ROYCE						06	N	6	0	6							1	1	1	1	1	1											0											
T45TS ENGINES/ROLLS ROYCE						07	N	12	0	12																	1	1	1	1	1	1	1	5										

[illegible]

BUDGET ITEM JUSTIFICATION SHEET

P-40

DATE:

February 2006

APPROPRIATION/BUDGET ACTIVITY
AIRCRAFT PROCUREMENT,NAVY/BA 3

P-1 ITEM NOMENCLATURE
JPATS

Program Element for Code B Items:

Other Related Program Elements

	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	49	A	3	3	21	48	48	48	48	60	328
Net P-1 Cost (\$M)	222.833		16.941	19.381	146.068	309.459	331.212	353.744	356.177	539.197	2,295.012
Advance Proc (\$M)											
WPN Sys Cost (\$M)	222.833		16.941	19.381	146.068	309.459	331.212	353.744	356.177	539.197	2,295.012
Initial Spares (\$M)	11.447			.686	4.851	6.629	7.672	5.577	2.174	29.573	68.609
Proc Cost (\$M)	234.280		16.941	20.067	150.919	316.088	338.884	359.321	358.351	568.770	2,363.621
Unit Cost (\$M)	4.781		5.647	6.689	7.187	6.585	7.060	7.486	7.466	9.480	7.206

Description:

MISSION: Joint Primary Aircraft Training System (JPATS) is a joint USN/USAF Acquisition Program designed to replace aging primary training aircraft (T-34/T-37) fleet. USAF is program executor. Principal JPATS mission is primary training for entry-level Navy/Air Force student pilots, associated instructor pilots, and primary/intermediate training for USN Naval Flight Officers.

DESCRIPTION: JPATS is a joint USAF/USN Acquisition Category 1C program. JPATS includes the T-6A Texan II (a single turboprop engine, stepped tandem seat, commercially derived aircraft), ground based training system (aircrew training devices, development courses, conversion courses, and operational support), and contractor logistics support. The Training Integrated Management System (TIMS) is a major information management system used to manage all student administrative and training requirements. USAF procurement of 454 T-6A Texan II aircraft was initiated in FY95 and ends in FY08. The USN has programmed procurement of 328 aircraft with the first procurement in FY00.

BASIS FOR FY 2007 REQUEST: FY07 fully funds 21 T-6A aircraft and associated support.

Exhibit P-5 Cost Analysis		Weapon System				DATE:			
		JPATS				February 2006			
APPROPRIATION/BUDGET ACTIVITY		ID Code		P-1 ITEM NOMENCLATURE					
AIRCRAFT PROCUREMENT,NAVY/BA 3		A		JPATS					
			Dollars in Thousands						
Cost	Element of Cost	Prior Years	FY 2005		FY 2006		FY 2007		
		QTY: 49	QTY:	3	QTY:	3	QTY:	21	
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	
1	AIRFRAME/CFE	151,084.013	4,810.713	14,432.139	5,465.333	16,396.000	5,615.861	117,933.081	
2	CFE ELECTRONICS								
3	GFE ELECTRONICS								
4	ENGINES / ENGINE ACC								
5	ARMAMENT								
6	INSTRUMENTS								
7	OTHER GFE								
8	REC FLYAWAY ECO	1,313.003	94.586	283.758	108.917	326.750	111.441	2,340.270	
9	Rec Flyaway Cost	152,397.016	4,905.299	14,715.897	5,574.250	16,722.750	5,727.302	120,273.351	
10	NON-RECURRING	371.074		154.103		247.250		1,693.943	
11	ANCILLARY EQUIPMENT								
12	MISCELLANEOUS								
13	Total Flyaway Cost	152,768.090	4,956.667	14,870.000	5,656.667	16,970.000	5,807.966	121,967.294	
14	AIRFRAME PGSE	517.877		139.502		150.000		153.335	
15	ENGINE PGSE								
16	AVIONICS PGSE								
17	PEC TRNG EQ	65,526.171		110.590		100.000		17,747.875	
18	PUBS / TECH DATA	267.307		70.566		75.000		985.968	
19	OTHER ILS	2,386.771		1,060.800		1,039.392		3,368.657	
20	FACILITIES MANAGEMENT								
21	PRODUCTION ENG SUPPORT	1,366.784		689.542		1,046.608		1,844.871	
22	MISCELLANEOUS SUPPORT								
23	Support Cost	70,064.910		2,071.000		2,411.000		24,100.706	
24	Gross P-1 Cost	222,833.000		16,941.000		19,381.000		146,068.000	
25	Adv Proc Credit								
26	Net P-1 Cost	222,833.000		16,941.000		19,381.000		146,068.000	
27	Adv Proc CY								
28	Weapon System Cost	222,833.000		16,941.000		19,381.000		146,068.000	
29	Initial Spares	11,447.000				686.000		4,851.000	
30	Procurement Cost	234,280.000		16,941.000		20,067.000		150,919.000	

Exhibit P-5 Cost Analysis		Weapon System JPATS						DATE: February 2006			
APPROPRIATION/BUDGET ACTIVITY		ID Code				P-1 ITEM NOMENCLATURE					
AIRCRAFT PROCUREMENT,NAVY/BA 3		A JPATS									
						Dollars in Thousands					
Cost	Element of Cost	FY 2008		FY 2009		FY 2010		FY 2011		To Complete	Summary Total A/C
		QTY:	48	QTY:		QTY:		QTY:		QTY:	
		Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Cost	Total Cost
	1 AIRFRAME/CFE										
	2 CFE ELECTRONICS										
	3 GFE ELECTRONICS										
	4 ENGINES / ENGINE ACC										
	5 ARMAMENT										
	6 INSTRUMENTS										
	7 OTHER GFE										
	8 REC FLYAWAY ECO										
	9 Rec Flyaway Cost										
	10 NON-RECURRING										
	11 ANCILLARY EQUIPMENT										
	12 MISCELLANEOUS										
	13 Total Flyaway Cost										
	14 AIRFRAME PGSE										
	15 ENGINE PGSE										
	16 AVIONICS PGSE										
	17 PEC TRNG EQ										
	18 PUBS / TECH DATA										
	19 OTHER ILS										
	20 FACILITIES MANAGEMENT										
	21 PRODUCTION ENG SUPPORT										
	22 MISCELLANEOUS SUPPORT										
	23 Support Cost										
	24 Gross P-1 Cost										
	25 Adv Proc Credit										
	26 Net P-1 Cost										
	27 Adv Proc CY										
	28 Weapon System Cost										
	29 Initial Spares										
	30 Procurement Cost										

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System JPATS			A. DATE February 2006			
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE					SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 3					JPATS					U3AT	
P-5A AIRFRAME/CFE											
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available	
AIRFRAME/CFE											
FY 2005	3	4,811	ASC/YT WPAFB OH	May-01	SS- FP/EPA	RAYTHEON AIRCRAFT COMPANY, WICHITA, KS	Dec-04	Mar-07	Yes	N/A	
FY 2006	3	5,465	ASC/YT WPAFB OH	Aug-05	SS- FP/EPA	RAYTHEON AIRCRAFT COMPANY, WICHITA, KS	Feb-06	Mar-08	Yes	N/A	
FY 2007	21	5,616	ASC/YT WPAFB OH	Aug-05	SS- FP/EPA	RAYTHEON AIRCRAFT COMPANY, WICHITA, KS	Feb-07	Mar-09	Yes	N/A	
D. Remarks:											

PRODUCTION SCHEDULE, P-21											DATE February 2006			
APPROPRIATION/BUDGET ACTIVITY						Weapon System		P-1 ITEM NOMENCLATURE						
Aircraft Procurement, Navy/BA3						Trainer Aircraft		Joint Primary Aircraft Training System (JPATS)						
						Production Rate			Procurement Leadtimes					
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure
AIR VEHICLE	RAYTHEON AIRCRAFT CO					24	48	72	0	5	33	25	30	EACH
	WICHITA, KANSAS													
*1 shift / 2 shifts														

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2005												FISCAL YEAR 2006												B A L
						2004			CALENDAR YEAR 2005									CALENDAR YEAR 2006												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
						AV--RAYTHEON AIRCRAFT CO	02	N	7	3	4	2	1	1																
AV--RAYTHEON AIRCRAFT CO	03	N	4	0	4								3	1														0		
AV--RAYTHEON AIRCRAFT CO	04	N	2	0	2									1	1												0			

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2007												FISCAL YEAR 2008												B A L
						2006			CALENDAR YEAR 2007									CALENDAR YEAR 2008												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
						AV--RAYTHEON AIRCRAFT CO	05	N	3	0	3						1	1	1											
AV--RAYTHEON AIRCRAFT CO	06	N	3	0	3														1	1	1							0		

PRODUCTION SCHEDULE, P-21											DATE February 2006			
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA3						Weapon System Trainer Aircraft			P-1 ITEM NOMENCLATURE Joint Primary Aircraft Training System (JPATS)					
						Production Rate			Procurement Leadtimes					
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure
AIR VEHICLE	RAYTHEON AIRCRAFT CO					24	48	72	0	5	33	25	30	EACH
	WICHITA, KANSAS													
*1 shift / 2 shifts														

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2009												FISCAL YEAR 2010												B A L
						2008			CALENDAR YEAR 2009									CALENDAR YEAR 2010												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
AV--RAYTHEON AIRCRAFT CO	07	N	21	0	21						1	1	1	2	2	2	2	2	2	2	2	2								0

ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2011												FISCAL YEAR 2012												B A L
						2010			CALENDAR YEAR 2011									CALENDAR YEAR 2012												
						O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	

BUDGET ITEM JUSTIFICATION SHEET

P-40

DATE:

February 2006

APPROPRIATION/BUDGET ACTIVITY
AIRCRAFT PROCUREMENT,NAVY/BA 4

P-1 ITEM NOMENCLATURE
KC-130J (MYP)

Program Element for Code B Items:

N/A

Other Related Program Elements

	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	17	A	4	5	4	4				17	51
Net P-1 Cost (\$M)	1,223.486		279.716	370.615	253.179	253.794				1,505.842	3,886.632
Advance Proc (\$M)	49.716		45.131	58.000	45.737					379.567	578.151
WPN Sys Cost (\$M)	1,273.202		324.847	428.615	298.916	253.794				1,885.409	4,464.783
Initial Spares (\$M)	99.043		18.214	21.858	16.999	16.814				97.071	269.999
Proc Cost (\$M)	1,372.245		343.061	450.473	315.915	270.608				1,982.481	4,734.783
Unit Cost (\$M)	80.720		85.765	90.095	78.979	67.652				116.617	92.839

Description:

The KC-130J aircraft is an all metal, high-wing, long-range, land-based monoplane. It is designed for cargo, tanker and troop carrier operations. For tanker operations, the aircrew will consist of a pilot, co-pilot, augmented crew member and two air refueling observers. Features include wing mounted refueling pods, an internal cargo ramp and door, crew and cargo compartment pressurization, ground and in-flight refueling, thermal deicing systems and a Heads-Up Display (HUD). It is designed to take off and land on unimproved runways.

Mission:

The mission of the KC-130J is to provide tactical in-flight refueling and assault support transport. As a tactical transport, it is capable of conventional or aerial delivery of personnel or cargo. The aircraft is capable of carrying 92 combat troops or 64 paratroopers with equipment or 64 litters when configured as an ambulance. The aircraft is equipped for in-flight refueling to service two aircraft simultaneously and has a removable 3,600 gallon (13,627 liter) fuel tank in the cargo compartment.

The KC-130J has the capability to refuel low-speed helicopters and high-speed jet aircraft. Aerial refueling of helicopters is normally conducted at 6,000 feet or below, at an airspeed of 115 KTS TAS and requires a ground change of the refueling basket. The KC-130J aircraft is powered by four Allison AE 2100D3 Turbo-Prop Engines with four six-bladed composite propellers. The cockpit includes state-of-the-art electronics with Liquid Crystal Display (LCD) instrumentation. The improved power performance of the KC-130J provides 40 percent greater range, 25 percent higher cruise ceiling, 46 percent decrease in time-to-climb, 21 percent increase in maximum speed and 41 percent decrease in maximum effort take-off run over the existing KC-130F/R/T models.

Basis for FY 2007 Request:

The FY 2007 budget request provides for 4 aircraft and support and \$45.737M advance procurement for FY 2008. FY 2007 will be the fifth year of a multiyear contract (FY 2003-FY 2008).

Exhibit P-5 Cost Analysis		Weapon System				DATE:				Weapon System				DATE:					
		KC-130J				February 2006				KC-130J				February 2006					
APPROPRIATION/BUDGET ACTIVITY		ID Code		P-1 ITEM NOMENCLATURE				ID Code		P-1 ITEM NOMENCLATURE									
AIRCRAFT PROCUREMENT,NAVY/BA 4		A		KC-130J				A		KC-130J									
				Dollars in Thousands						Dollars in Thousands									
Cost	Element of Cost	Prior Years		FY 2005		FY 2006		FY 2007		FY 2008		FY 2009		FY 2010		FY 2011		To Complete	Summary
		QTY:	17	QTY:	4	QTY:	5	QTY:	4	QTY:		QTY:	0	QTY:	0	QTY:	0	QTY:	Total A/C
		Total Cost		Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Cost	Total Cost
1	AIRFRAME/CFE	1,032,300.000		69,900.000	279,600.000	69,900.000	349,500.000	69,900.000	279,600.000										
2	CFE ELECTRONICS																		
3	GFE ELECTRONICS	14,288.972		1,071.360	4,285.439	1,408.895	7,044.475	1,479.340	5,917.359										
4	ENGINES / ENGINE ACC																		
5	ARMAMENT																		
6	INSTRUMENTS																		
7	OTHER GFE	4,136.365		181.249	724.997	359.261	1,796.305	377.224	1,508.896										
8	REC FLYAWAY ECO																		
9	Rec Flyaway Cost	1,050,725.337		71,152.609	284,610.436	71,668.156	358,340.780	71,756.564	287,026.255										
10	NON-RECURRING	1,200.000																	
11	ANCILLARY EQUIPMENT																		
12	MISCELLANEOUS																		
13	Total Flyaway Cost	1,051,925.337		71,152.609	284,610.436	71,668.156	358,340.780	71,756.564	287,026.255										
14	AIRFRAME PGSE	2,972.086					2,465.660												
15	ENGINE PGSE	2,138.781					3,155.271												
16	AVIONICS PGSE	4,053.547					3,500.868												
17	PEC TRNG EQ	37,664.781			24,717.937		27,174.475												
18	PUBS / TECH DATA	2,225.546			114.740		533.169		55.548										
19	OTHER ILS	55,552.287			9,717.487		15,905.166		18,746.786										
20	FACILITIES MANAGEMENT																		
21	PRODUCTION ENG SUPPORT	48,353.144			4,271.400		6,670.611		7,350.411										
22	MISCELLANEOUS SUPPORT	18,600.040																	
23	Support Cost	171,560.212			38,821.564		59,405.220		26,154.745										
24	Gross P-1 Cost	1,223,485.549			323,432.000		417,746.000		313,179.000										
25	Adv Proc Credit				-43,716.000		-47,131.000		-60,000.000										
26	Net P-1 Cost	1,223,485.549			279,716.000		370,615.000		253,179.000										
27	Adv Proc CY	49,716.000			45,131.000		58,000.000		45,737.000										
28	Weapon System Cost	1,273,201.549			324,847.000		428,615.000		298,916.000										
29	Initial Spares	99,043.165			18,214.000		21,858.000		16,999.000										
30	Procurement Cost	1,372,244.714			343,061.000		450,473.000		315,915.000										

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)						Weapon System KC-130J (MYP)			A. DATE February 2006		
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE					SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 4					KC-130J					44A9	
P-5A AIRFRAME/CFE											
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available	
AIRFRAME/CFE FY 2005	4	69,900	USAF WRIGHT PATTERSON OHIO	N/A	MYP	LMAS Marietta, GA	Nov-04	Aug-05	N/A	N/A	
AIRFRAME/CFE FY 2005 Advance Procurement for FY 2006			USAF WRIGHT PATTERSON OHIO	N/A	MYP	LMAS Marietta, GA	Nov-04				
AIRFRAME/CFE FY 2006	5	69,900	USAF WRIGHT PATTERSON OHIO	N/A	MYP	LMAS Marietta, GA	Feb-06	Aug-06	N/A	N/A	
AIRFRAME/CFE FY 2006 Advance Procurement for FY 2007			USAF WRIGHT PATTERSON OHIO	N/A	MYP	LMAS Marietta, GA	Feb-06				
AIRFRAME/CFE FY 2007	4	69,900	USAF WRIGHT PATTERSON OHIO	N/A	MYP	LMAS Marietta, GA	Dec-06	Sep-07	N/A	N/A	
AIRFRAME/CFE FY 2007 Advance Procurement for FY 2008			USAF WRIGHT PATTERSON OHIO	N/A	MYP	LMAS Marietta, GA	Dec-06				
D. Remarks:											

DD Form 2445, JUL 87	Previous editions are obsolete	P-1 SHOPPING LIST		
		ITEM NO 21	PAGE 5 of 6	Exhibit P-21 Production Schedule

DD Form 2445, JUL 87	Previous editions are obsolete	P-1 SHOPPING LIST		
		ITEM NO 21	PAGE 6 of 6	Exhibit P-21 Production Schedule

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET								DATE:			
P-40								February 2006			
APPROPRIATION/BUDGET ACTIVITY						P-1 ITEM NOMENCLATURE					
Aircraft Procurement, Navy/ BA-4						KC-130J ADVANCE PROCUREMENT (MYP)					
Program Element for Code B Items:						Other Related Program Elements					
N/A											
	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total
COST (In Millions)	\$49.716	A	\$45.131	\$58.000	\$45.737					\$379.567	\$578.151

MISSION AND DESCRIPTION:
The KC-130J aircraft is an all metal, high-wing, long-range, land-based monoplane. It is designed for cargo, tanker and troop carrier operations. For tanker operations, the aircrew will consist of a pilot, co-pilot, augmented crew member and two air refueling observers. Features include wing mounted refueling pods, an internal cargo ramp and door, crew and cargo compartment pressurization, ground and in-flight refueling, thermal deicing systems and a Heads-Up Display (HUD). It is designed to take off and land on unimproved runways.

MISSION:
The mission of the KC-130J is to provide tactical in-flight refueling and assault support transport. As a tactical transport, it is capable of conventional or aerial delivery of personnel or cargo. The aircraft is capable of carrying 92 combat troops or 64 paratroopers with equipment or 64 litters when configured as an ambulance. The aircraft is equipped for in-flight refueling to service two aircraft simultaneously and has a removable 3,600 gallon (13,627 liter) fuel tank in the cargo compartment.

The KC-130J has the capability to refuel low-speed helicopters and high-speed jet aircraft. Aerial refueling of helicopters is normally conducted at 6,000 feet or below, at an airspeed of 115 KTS TAS and requires a ground change of the refueling basket. The KC-130J aircraft is powered by four Allison AE 2100D3 Turbo-Prop Engines with four six-bladed composite propellers. The cockpit includes state-of-the-art electronics with Liquid Crystal Display (LCD) instrumentation. The improved power performance of the KC-130J provides 40 percent greater range, 25 percent higher cruise ceiling, 46 percent decrease in time-to-climb, 21 percent increase in maximum speed and 41 percent decrease in maximum effort take-off run over the existing KC-130F/R/T models.

BASIS FOR FY 2007 BUDGET REQUEST:
The FY 2007 request covers termination liability requirements for FY08 Airframe Contractor Furnished Equipment (CFE) and Long Lead Government Furnished Equipment (GFE) for a quantity of 4 aircraft.

Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)							Date: February 2006						
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy, Budget Activity 4, Other Aircraft, Item 22							P-1 Line Item Nomenclature KC-130J ADVANCE PROCUREMENT (MYP)						
Weapon System KC-130J				First System (BY1) Award Date March 03				Interval Between Systems 1Month					
(\$ in Millions)													
	PLT	When Rqd	Prior Years	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	To Complete	Total	
End Item Qty			17	4	5	4							
CFE - Airframe T.L.	21												
EOQ/Long Lead													
FOR FY 2005 EOQ/Long Lead			42.0										
FOR FY 2006 EOQ/Long Lead			2.0	40.0									
FOR FY 2007 EOQ/Long Lead			2.0		50.0								
FOR FY 2008 EOQ/Long Lead			2.0			40.0							
FOR FY 2009 Long Lead													
FOR FY 2010 Long Lead													
FOR FY 2010 EOQ													
FOR FY 2011 EOQ/Long Lead													
FOR FY 2013-2016 EOQ													
FOR FY 2012-2016 Long Lead													
TOTAL EOQ/Long Lead	Var.	Var.	48.0	40.0	50.0	40.0							
GFE Electronics	18-20		0.9	4.3	7.0	4.8							
GFE Other	18-20		0.8	0.8	1.0	0.9							
TOTAL GFE Long Lead			1.7	5.1	8.0	5.7							
Total AP			49.7	45.1	58.0	45.7							
Description:													
<p>The EOQ/Long Lead line item funds EOQ requirements for the MYP and termination liability for long-lead requirements for the KC-130J production program. The GFE Electronics and GFE Other Long Lead line items fund procurement of long lead parts and materials necessary to maintain the KC-130J delivery schedule.</p> <p>Note: PB07 Controls provide Advance Procurement in FY06 for 5 Aircraft in FY07. Controls for FY07 only have sufficient funding for 4 Aircraft.</p>													

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)						Date: February 2006			
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy, Budget Activity 04, Other Aircraft, Item 21					Weapon System KC-130J		P-1 Line Item Nomenclature KC-130J ADVANCE PROCUREMENT (MYP)		
(TOA, \$ in Millions)									
	PLT	QPA	Unit Cost	FY 2006 for FY 2007 Qty	FY 2006 Contract Forecast Date	FY 2006 Total Cost Request	FY 2007 for FY 2008 Qty	FY 2007 Contract Forecast Date	FY 2007 Total Cost Request
End Item				4			4		
Airframe Long Lead	21	N/A	N/A	T.L. for 4	Feb 06	50.0	T.L. for 4	Dec 06	40.0
GFE Electronics	18-20	1	Var	4	Var	7.0	4	Var	4.8
GFE Other	15-20	1	Var	4	Var	1.0	4	Var	0.9
Total Advance Procurement						58.0			45.7
Description:									

BUDGET ITEM JUSTIFICATION SHEET

P-40

DATE:

February 2006

APPROPRIATION/BUDGET ACTIVITY
AIRCRAFT PROCUREMENT,NAVY/BA 4

P-1 ITEM NOMENCLATURE
F-5

Program Element for Code B Items:

Other Related Program Elements

	Prior Years	ID Code	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
Quantity	9	A	9	9	5						32
Net P-1 Cost (\$M)	5.522		10.918	4.461	2.530						23.431
Advance Proc (\$M)											
WPN Sys Cost (\$M)	5.522		10.918	4.461	2.530						23.431
Initial Spares (\$M)											
Proc Cost (\$M)	5.522		10.918	4.461	2.530						23.431
Unit Cost (\$M)	.614		1.213	.496	.506						.732

Description: The F-5E is a single seat, dual engine, supersonic land based fighter. It is designed to a service life of 4000 flight hours, 4000 landings, and 5000 gear extension/retraction cycles given a severe usage spectrum, such as the USN/USMC Adversary mission. On average the USN/USMC F-5E aircraft have 7000 flight hours. The aircraft is powered by dual J85-21C engines. On the average the F-5E has a \$2500.00 per hour flight cost which is significant savings compared to the FA/18 or F-16 platform performing the Adversary training.

Mission: The mission of the F-5E is to provide the Tactical Air Operational Fleet with Adversary training during the Strike Fighter Advanced Readiness Program (SFARP). As a supersonic aircraft, it is capable of operating in a multi-threat environment. Most sorties flown by the F-5E involve multi-aircraft scenarios flying against deploying F/A-18 and F-14 fighter aircraft. This mission cannot be fulfilled through non-material alternatives.

Basis for FY 2007 Request:

Funds are requested in FY 2007 for the procurement of five F-5 Adversary aircraft from the government of Switzerland to replace as one-for-one replacement for USN high time aircraft.

FY05 unit cost increase provides engine reconfigurations and aircraft prep.

Exhibit P-5 Cost Analysis		Weapon System F-5						DATE: February 2006		Weapon System F-5						DATE: February 2006			
APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT,NAVY/BA 4		ID Code A		P-1 ITEM NOMENCLATURE F-5						ID Code A				P-1 ITEM NOMENCLATURE F-5					
			Dollars in Thousands								Dollars in Thousands								
Cost	Element of Cost	Prior Years		FY 2005		FY 2006		FY 2007		FY 2008		FY 2009		FY 2010		FY 2011		To Complete	Summary Total A/C
		QTY: 9	QTY: 9	9	QTY: 9	9	QTY: 5	5	QTY: 0	0	QTY: 0	0	QTY: 0	0	QTY: 0	0	QTY: 0	0	
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Cost	Total Cost
	1 AIRFRAME/CFE	5,522.000	587.778	5,290.000	495.667	4,461.000	506.000	2,530.000											
	2 CFE ELECTRONICS																		
	3 GFE ELECTRONICS																		
	4 ENGINES / ENGINE ACC		248.712	2,238.408															
	5 ARMAMENT																		
	6 INSTRUMENTS																		
	7 OTHER GFE																		
	8 REC FLYAWAY ECO																		
	9 Rec Flyaway Cost	5,522.000	836.490	7,528.408	495.667	4,461.000	506.000	2,530.000											
	10 AIRFRAME PGSE			2,319.744															
	11 AIRFRAME PGSE																		
	12 ENGINE PGSE			994.848															
	13 AIRFRAME PGSE																		
	14 ENGINE PGSE																		
	15 AVIONICS PGSE																		
	16 PEC TRNG EQ																		
	17 PUBS / TECH DATA																		
	18 OTHER ILS																		
	19 FACILITIES MANAGEMENT																		
	20 PRODUCTION ENG SUPPORT			75.000															
	21 MISCELLANEOUS SUPPORT																		
	22 Support Cost			3,389.592															
	23 Gross P-1 Cost		5,522.000		10,918.000		4,461.000		2,530.000										
	24 Adv Proc Credit																		
	25 Net P-1 Cost		5,522.000		10,918.000		4,461.000		2,530.000										
	26 Adv Proc CY																		
	27 Weapon System Cost		5,522.000		10,918.000		4,461.000		2,530.000										
	28 Initial Spares																		
	29 Procurement Cost		5,522.000		10,918.000		4,461.000		2,530.000										

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System F-5			A. DATE February 2006		
B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE				SUBHEAD	
AIRCRAFT PROCUREMENT,NAVY/BA 4					F-5				44F5	
P-5A AIRFRAME/CFE										
Cost Element/Fiscal Year	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method & Type	Contractor and Location	Award Date	Date of First Delivery	Tech Data Available Now	Date Revisions Available
AIRFRAME/CFE FY 2005 FY 05 Advance Procurement for FY 06	9	580	NAVAIR	N/A	FFP	Government of Swiss Confederation, Bern, BE	Apr-05	May-05	N/A	N/A
AIRFRAME/CFE FY 2006 FY 06 Advance Procurement for FY 07	9	502	NAVAIR	N/A	FFP	Government of Swiss Confederation, Bern, BE	Nov-05	Dec-05	N/A	N/A
AIRFRAME/CFE FY 2007 FY 07 Advance Procurement for FY 08	5	504	NAVAIR	N/A	FFP	Government of Swiss Confederation, Bern, BE	Nov-06	Dec-06	N/A	N/A
D. Remarks:										
There is an emergent requirement for engine reconfigurations in FY 06 and FY 07, how ever, funds are currently not available. Unit cost is irregular in FY 06 and FY 07 due to the funding shortfall. This shortfall is currently being addressed in a congressional notification letter. A requested adjustment in the procurement schedule will correct shortfalls. These adjustments will not increase cost or impact aircraft inventory.										

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BUDGET ITEM JUSTIFICATION SHEET P-40

DATE:

February 2006

APPROPRIATION/BUDGET ACTIVITY
Aircraft Procurement, Navy/ B.A. 4

P-1 ITEM NOMENCLATURE
Vertical Take-off UAV (VTUAV)

Program Element for Code B Items:

0305204N

Other Related Program Elements

	Prior Years	ID Code	FY 2004	FY 2005	FY 2006	FY2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Program
QUANTITY		B				4	7	11	11	10	125	168
Net P-1 Cost (\$M)		B				37.570	64.501	104.866	100.383	94.133	972.244	1,373.697
Advance Proc (\$M)		B										
Wpn Sys Cost (\$M)		B				37.570	64.501	104.866	100.383	94.133	972.244	1,373.697
Initial Spares (\$M)		B				7.426	7.821	26.308	8.425	3.421	144.058	197.459
Proc Cost (\$M)		B				44.996	72.322	131.174	108.808	97.554	1,116.302	1,571.156
Unit Cost (\$M)		B				11.249	10.332	11.925	9.892	9.755	8.930	9.352

MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION: The Vertical Takeoff and Landing Tactical Unmanned Aerial Vehicle (VTUAV) was designed to provide real-time intelligence, surveillance and reconnaissance data to tactical users without the use of manned aircraft or reliance on limited joint theater or national assets. The VTUAV can accomplish missions including over-the-horizon tactical reconnaissance, classification, targeting and laser designation, and battle management (including communications relay). The VTUAV launches and recovers vertically and can operate from all air capable ships as well as confined area land bases. Other characteristics include autonomous air vehicle launch and recovery, autonomous waypoint navigation with command override capability, and the ability to incorporate Electro-Optical/Infrared/Laser Designator-Laser Range Finder modular mission payload. Interoperability is achieved through the use of the Tactical Control System (TCS) software in the ground control station, through implementation of NATO Standardization Agreement (STANAG) 4586, and through the use of the Tactical Common Data Link (TCDL). The data from the Fire Scout VTUAV will be provided through standard DoD Command, Control, Communication, Computers and Intelligence system architectures and protocols.

A VTUAV system is comprised of three air vehicles, three electro-optical/infrared/laser designator-range finder payloads, two Ground Control Stations (with TCS and TCDL integrated for interoperability), one UAV Common Automatic Recovery System (UCARS) for automatic take-off and landings, and associated spares and support equipment.

A program to continue development of the VTUAV to meet Littoral Combat Ship (LCS) mission requirements was initiated in FY04. Engineering and Manufacturing Development (EMD) is continuing through FY11 and will include design activities for system upgrades, and TCS integration. Fabrication of the RQ-8A LRIP 1 system was completed in FY03. Procurement of two EMD MQ-8B Air Vehicles was initiated in FY04, two additional EMD MQ-8B Air Vehicles were procured in FY05, and procurement of five MQ-8B Air Vehicles is planned for FY06. As of January 2006, VTUAV has completed 195 flights, accumulating more than 178 flight hours.

The VTUAV system is scheduled for a 1st quarter FY 2007 Milestone C LRIP decision.

The U. S. Army has selected the Fire Scout MQ-8B as their Class IV UAV for the Future Combat System (FCS). Coordination with the U. S. Army FCS Program is on-going to investigate the potential cost savings for both programs where system commonalities and common logistics support can be identified.

BASIS FOR FY2007 REQUEST: FY 2007 fully funds four VTUAV air vehicles and associated support.

* Air Vehicle was redesignated from RQ-8B to MQ-8B on 24 June 2005 per letter from HQ USAF/XPPE.

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WEAPONS SYSTEM COST ANALYSIS P-5						Weapon System VTUAV								DATE: February 2006	
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ B.A. 4						ID Code B		P-1 ITEM NOMENCLATURE/SUBHEAD Vertical Take-off UAV (VTUAV)							
COST CODE	ELEMENT OF COST	ID Code													
			Prior Years	FY 2005			FY 2006			FY 2007			FY 2008		
			Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
	Air Vehicle									4	6.155	24.619			
	Rec Flyaway Cost											24.619			
	Ancillary Equipment											8.014			
	Total Flyaway Cost											32.633			
	Support Equipment (Included in ILS)											4.380			
	Integrated Logistics Support											0.557			
	Production Engineering Support											4.937			
	Support Costs														
	Gross P-1											37.570			
	Adv Proc Credit											37.570			
	Net P-1 Cost											37.570			
	Adv Proc CY											37.570			
	Weapon System Cost											7.426			
	Initial Spares											44.996			
	Procurement Cost														
			0.000			0.000			0.000			44.996			

P-1 SHOPPING LIST

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System VTUAV		A. DATE February 2006			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ B.A. 4					C. P-1 ITEM NOMENCLATURE Vertical Take-off UAV (VTUAV)				SUBHEAD J4UV	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
FY07 AIR VEHICLE	4	6.155	NAVAIR	Feb 06	SS-CPAF	Northrop Grumman Corporation San Diego, CA	Nov 06	Jul 08	No	Nov 06
D. REMARKS										

P-1 SHOPPING LIST

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